



*Reception for Councilmembers Larson and Schulte - 6:00 p.m.*

## **CITY COUNCIL AGENDA**

**Tuesday, December 18, 2012**

**7:00 p.m.**

**Coon Rapids City Center  
Council Chambers**

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### **Open Mic/Public Comment**

### **Call to Order**

### **Pledge of Allegiance**

### **Roll Call**

### **Adopt Agenda**

### **Approval of Minutes of Previous Meetings**

November 20, 2012, Council Meeting

December 4, 2012, Council Meeting

### **Consent Agenda**

1. Accept 2012 Coon Rapids Mortgage Assistance Foundation Report
2. Cons. Resolution 12-127 Authorizing the Sale of Tax Forfeit Properties
3. Approve Class A On-Sale and Sunday Liquor License to CLS Enterprises LLC d.b.a. Crazy Loon Saloon, 133 Coon Rapids Boulevard
4. Cons. Class A On-Sale and Sunday Liquor License to Osaka Northtown, Inc. d.b.a. Osaka Steakhouse, 77 85th Avenue NW
5. Approve 2012 Workers Compensation Coverage with the League of Minnesota Cities Insurance Trust
6.
  - a. Cons. Resolution 12-137 Canceling the January 15, 2013, City Council Meeting
  - b. Cons. Resolution 12-138 Rescheduling the August 6, 2013, City Council Meeting to August 7, 2013

### **Public Hearing**

7. Modification of TIF District 1-11:
  - a. Public Hearing, 7:00 p.m.
  - b. Cons. Resolution 12-136 Amending Budget of Tax increment District 1-11
8. Community Development Block Grant Application:
  - a. Public Hearing, 7:00 p.m.
  - b. Authorize Application for Community Development Block Grant Funds for Program Year 2012 for Housing Rehabilitation Program
  - c. Authorize Execution of Agreement for Implementation of 2012 Program

## **Old Business**

9. Cons. Adoption of Ordinance Amending the Official Zoning Map for the City from Low Density Residential 2 to Moderate Density Residential, Tim Tronson, 1354 121st Avenue NW, PC 12-27
10. Cons. Resolution Approving a Comprehensive Land Use Plan Amendment from Low Density Residential to Moderate Density Residential, Tim Tronson, 1354 121st Avenue, PC 12-2
11. Cons. Adoption of Ordinance Regulating Overnight Parking and Storage of Trucks, Semi Tractors, and Trailers in Commercial and Office Districts

## **New Business**

12. Coon Rapids Community Facilities Complex Phase II Master Plan:
  - a. Accept Proposal from Perkins+Will for Professional Planning Services in developing a Phase II Master Plan
  - b. Appropriate Funds from Facilities Construction Fund for Master Plan Study
13. Cons. Resolution 12-135 Amending Budgets of Tax Increment Districts 1-6 and 1-10
14. Cons. Resolution 12-132 Providing for the Issuance and Sale of G.O. Improvement and Refunding Bonds, Series 2013A, to be Issued in the Proposed Aggregate Principal amount of \$5,895,000
15. Cons. Resolution No. 12-133 Re-Appropriating Funds within the 2012 General Fund Budget and Amending the 2012 and 2013 Budgets
16. Cons. Resolution No. 12-134 Amending the Recycling Fund Budget for Purchase of a Sign and Pallet Jack for the Recycling Center
17. Cons. Resolution 12-139 Establishing the 2013 Wage Schedule for Unrepresented Employees

## **Other Business**

## **Adjourn**



**City Council Regular**

**Meeting Date:** 12/18/2012

**SUBJECT:**

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**Attachments**

11-20-12 Council Meeting

12-4-12 Council Meeting

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## UNAPPROVED

### COON RAPIDS CITY COUNCIL MEETING MINUTES OF NOVEMBER 20, 2012

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#### OPEN MIC/PUBLIC COMMENT

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None.

#### CALL TO ORDER

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The second regular meeting of the Coon Rapids City Council for the month of November was called to order by Mayor Tim Howe at 7:01 p.m. on Tuesday, November 20, 2012, in the Council Chambers.

#### PLEDGE OF ALLEGIANCE TO THE FLAG

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Mayor Howe led the Council in the Pledge of Allegiance.

#### ROLL CALL

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Members Present: Mayor Tim Howe, Councilmembers Denise Klint, Jerry Koch, Bruce Sanders and Scott Schulte

Members Absent: Councilmembers Melissa Larson and Paul Johnson

#### ADOPT AGENDA

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MOTION BY COUNCILMEMBER SANDERS, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT THE AGENDA AS AMENDED ADDING ITEM 1A, POLICE RESERVE 50<sup>TH</sup> ANNIVERSARY AND REMOVING ITEM 12-35V FROM THE CONSENT AGENDA FOR DISCUSSION. THE MOTION PASSED UNANIMOUSLY.

#### PROCLAMATIONS/PRESENTATIONS

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1. CONSIDER RESOLUTION 12-123 ACCEPTING THE DONATION OF TWO SCOREBOARDS FROM THE COON RAPIDS ATHLETIC ASSOCIATION (CRAA) FOR USE AT SAND CREEK PARK
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Mayor Howe indicated representatives from the Coon Rapids Athletic Association (CRAA) were in attendance and have purchased two new scoreboards for Sand Creek Park. CRAA purchased the new LED scoreboards that require less maintenance and are more cost efficient to operate. The

organization has been setting aside funds for years to make this purchase, which with installation totaled \$14,351.03. Both scoreboards have already been put to use for both football and lacrosse and have performed well. Mayor Howe thanked all of the volunteers from this organization for their generous donation. A round of applause was offered to the volunteers.

**MOTION BY COUNCILMEMBER KLINT, SECONDED BY COUNCILMEMBER SANDERS, TO ADOPT RESOLUTION 12-123 ACCEPTING THE DONATION OF TWO SCOREBOARDS FROM THE COON RAPIDS ATHLETIC ASSOCIATION (CRAA) FOR USE AT SAND CREEK PARK. THE MOTION PASSED UNANIMOUSLY.**

**1A.    POLICE RESERVE 50<sup>TH</sup> ANNIVERSARY**

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Mayor Howe introduced Captain Parks and each of the Police Reserve Officers in attendance to the public. He read a proclamation declaring November 20, 2012 to be Coon Rapids Police Reserve Day.

Police Chief Wise thanked the volunteers for their service and dedication to the community. The Council and staff offered up a round of applause to the reserve officers present.

**2.      APPROVE THE FY13 BUDGET FOR TWIN CITIES GATEWAY**

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City Manager Gatlin indicated Steve Markuson was present to review the FY13 Budget for Twin Cities Gateway. The FY13 Budget for Twin Cities Gateway budget was passed by the Board of Directors at the Tuesday, September 25, 2012 board meeting. Per the member city agreements, the proposed TCG budget was then to be sent to each member city by October 1. After review, the budget was being presented for approval at each city's Council agenda.

Steve Markuson, Twin Cities Gateway, thanked the Council for their time this evening and then discussed the 2013 budget in further detail. He explained his budget was funded solely through taxes received from the nine member cities lodging tax receipts. He then discussed the economic impacts of tourism on the State explaining Minnesota generates \$33 million per year in tourism and creates 11% of private sector jobs. He reviewed the advertising and marketing efforts of TCG focusing on initiatives directly affecting the City of Coon Rapids.

Mayor Howe requested further information on the administrative fees paid to the City of Blaine. Mr. Markuson indicated the City of Blaine was the fiscal agent for TCG and was paid to assist the organization in collecting lodging tax receipts. He explained that the City of Blaine was underpaid last year for their time, which led to an increase for 2013.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KOCH, TO APPROVE THE FY13 BUDGET FOR TWIN CITIES GATEWAY. THE MOTION PASSED UNANIMOUSLY.**

3.      **OATH OF OFFICE FOR OFFICER NIKOLAS OMAN**

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Chief Brad Wise introduced Officer Nikolas Oman to the Council and community. He said Officer Oman was hired this summer and was now graduating from his field training program. Chief Wise welcomed Officer Oman to the department.

Mayor Howe administered the Oath of Office to Police Officer Nikolas Oman. A round of applause was offered for Officer Oman.

**APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

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OCTOBER 16, 2012, COUNCIL MEETING  
OCTOBER 23, 2012, WORK SESSION  
NOVEMBER 7, 2012, COUNCIL MEETING  
NOVEMBER 14, 2012, SPECIAL COUNCIL MEETING

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MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KLINT, FOR APPROVAL OF THE MINUTES OF THE OCTOBER 16, 2012, COUNCIL MEETING. THE MOTION PASSED UNANIMOUSLY.

MOTION BY COUNCILMEMBER SANDERS, SECONDED BY COUNCILMEMBER KOCH, FOR APPROVAL OF THE MINUTES OF THE OCTOBER 23, 2012, WORK SESSION MEETING. THE MOTION PASSED UNANIMOUSLY.

MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KLINT, FOR APPROVAL OF THE MINUTES OF THE NOVEMBER 7, 2012, COUNCIL MEETING. THE MOTION PASSED UNANIMOUSLY.

MOTION BY COUNCILMEMBER SANDERS, SECONDED BY COUNCILMEMBER KOCH, FOR APPROVAL OF THE MINUTES OF THE NOVEMBER 14, 2012, SPECIAL COUNCIL MEETING. THE MOTION PASSED 4-0-1, MAYOR HOWE ABSTAINED.

**CONSENT AGENDA/INFORMATIONAL BUSINESS**

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4.      **LEVY APPEALED MISCELLANEOUS 2012(3) ASSESSMENTS:**
- A.      **CONSIDER RESOLUTION 12-113 ADOPTING 2012(3) MISCELLANEOUS SPECIAL ASSESSMENTS (CONTESTED ONE YEAR)**
  - B.      **CONSIDER RESOLUTION 12-114 ADOPTING 2012(3) MISCELLANEOUS (CONTESTED THREE YEAR)**
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Councilmember Schulte requested further information on the assessment process. Community Development Director Nevinski explained the properties being assessed have had several code

enforcement violations. The Board of Adjustments reviewed these matters and assessed the properties accordingly. He indicated the final decision was made by the Council and was then recorded with the County to the property taxes.

Finance Director Legg noted several property owners have paid their assessments and would not be recorded with the County. She discussed the updated amounts with the Council in further detail.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER SANDERS, FOR APPROVAL OF THE CONSENT AGENDA AS AMENDED UPDATING THE ASSESSMENT AMOUNTS AND REMOVING ITEM 12-35V. THE MOTION PASSED UNANIMOUSLY.**

Councilmember Schulte commented he had received additional information regarding the property at 10022 Linnet Street NW (12-35V), stating it has not ever been a rental property and therefore does not require a rental license. He suggested the rental license fine be reconsidered as family members were living in the home.

City Attorney Brodie indicated he was not present at the Board of Appeals meeting but was familiar with the case. He explained an appeal was filed by the property owner; however, Mr. Wolfgram did not appear at the Board of Appeals to explain the matter. City Attorney Brodie commented a rental violation letter was sent to Mr. Wolfgram on November 29, 2011. On January 10, 2012 the property owner contacted City staff explaining his sister was living in the home. For this reason, the violation would be suspended if Mr. Wolfgram applied for and received a relative homestead status on the property. He stated the homestead status was not changed by the property owner.

Councilmember Sanders said he was not aware that City Code required property owners to receive a relative homestead status if renting a home to a family member.

Mayor Howe asked if this was addressed under the rental code language. Community Development Director Nevinski stated he was uncertain and was reviewing the rental license language at this time.

Councilmember Schulte commented he was not aware of this requirement either. He requested this matter be reviewed by staff further prior to Council action. Finance Director Legg indicated this would come back to the Council for review and approval on December 4, 2012.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KLINT, TO POSTPONE ACTION ON ITEM 12-35V UNTIL RECEIVING FURTHER INFORMATION FROM STAFF AT THE DECEMBER 4, 2012 COUNCIL MEETING. THE MOTION PASSED UNANIMOUSLY.**

Councilmember Sanders questioned if the Board of Appeals process was working or if there improvements to be made in the process. Community Development Director Nevinski stated staff was pleased with the process noting the Board of Adjustment was well trained in reviewing and recommending action on the cases.

**PUBLIC HEARING**

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**5.      CONSIDER REVOCATION OF PEDDLER'S LICENSE 12-188, BOULDER CREEK BUILDERS**

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City Clerk Sorensen presented a memorandum requesting the Council revoke a peddler's license issued October 16, 2012 to Boulder Creek Builders for door-to-door sales of insulation installation.

On October 9, 2012, Jennifer Williams, on behalf of Boulder Creek Builders, submitted the necessary fees and paperwork for a peddler's license. Satisfactory background checks were completed for two representatives, Jennifer Williams and Jesse Dey. They were issued a license valid from October 16 through November 15, 2012.

On October 29, 2012 staff suspended the license and sent the required notice to Boulder Creek Builders. This suspension was based on a police report dated October 24, 2012. The report states that two female representatives were in the neighborhood (only one female has applied for a solicitor's license) and that they were representing Connexus and Excel Energy.

City Code 5-1518(2) allows revocation of a peddler's license for "any fraud, misrepresentation, or false statement made in connection with the selling of goods, wares, or merchandise."

City Code 5-1508(6) states that any applicant who has violated the licensing chapter will not be eligible for a new license for two years.

Mayor Howe opened and closed the public hearing at 8:01 p.m. since no one appeared to address the Council.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER SANDERS, TO REVOKE THE PEDDLER'S LICENSE 12-188 ISSUED TO BOULDER CREEK BUILDERS AND ITS TWO REPRESENTATIVES, JENNIFER WILLIAMS AND JESSE DEY.**

Councilmember Sanders questioned if the energy companies were made aware of the fraudulent behavior taken by Boulder Creek Builders. City Clerk Sorensen commented she was not aware if Connexus or Xcel Energy had been contacted but noted she would investigate the matter further.

Councilmember Schulte indicated the revocation of the license would keep Boulder Creek Builders out of the City of Coon Rapids for the next two years. He recommended a letter be sent to the Department of Commerce regarding this matter as well.

**THE MOTION PASSED UNANIMOUSLY.**

**6.      2013 FEE REVISIONS:**  
**A.      CONDUCT PUBLIC HEARING REGARDING FEE INCREASE FOR 3.2 MALT**

LIQUOR LICENSES

- B. CONSIDER ADOPTION OF ORDINANCE TO REVISE CERTAIN LICENSE FEES, SERVICE FEES AND RELATED CHARGES
  - C. CONSIDER ADOPTION OF ORDINANCE ADJUSTING BUILDING INSPECTION FEES
  - D. CONSIDER RESOLUTION 12-115 ESTABLISHING CERTAIN FEES AND CHARGES
  - E. CONSIDER RESOLUTION 12-116 ESTABLISHING CERTAIN FEES AND CHARGES FOR USE OF CTN STUDIO FACILITIES
  - F. CONSIDER RESOLUTION 12-117 REVISING SEWER AVAILABILITY CHARGES (SAC)
  - G. CONSIDER RESOLUTION 12-118 ESTABLISHING CERTAIN FEES AND CHARGES FOR USE OF City PARK FACILITIES
  - H. CONSIDER RESOLUTION 12-119 ESTABLISHING CERTAIN FEES AND CHARGES FOR ADULT SOFTBALL LEAGUES
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Finance Director Legg presented a memorandum to Council stating on November 7<sup>th</sup>, Ordinances adjusting certain fees and building inspection fees were introduced and are now being presented for adoption along with resolutions, which include fees not set by ordinance. Rates for the ice arena, golf course and utility funds are set by separate City Council action throughout the year.

The fees for 2013 have been adjusted by the 2012 annual adjustment of 1.5% with exceptions noted below. A request for a rate change is made only if the adjustment is enough for the fee to be rounded to the next significant dollar amount. Items to note are as follows:

**Ordinance Adjusting Certain Fees (see reference number in ordinance)**

1. *Fees set by State Statute.* Certain fees under Section 5-209 (alcoholic beverages) and the gambling investigation fee under Section 5-2008 of the City Code are set by Minnesota Statutes and did not change for 2013.
2. *On-sale liquor license.* The on-sale liquor license was compared to the amount charged by other cities. Based on this review, staff determined that it should remain at the current rate of \$9,350 for 2013.
3. *Property Monitoring Fees.* A property monitoring fee was approved by the City Council in 2006. The 2007 fees were set at \$600 per year for residential property and \$1,000 per year for commercial property to cover related costs. Staff recommends no change for 2013.
4. In certain cases there may be no change in the fee due to rounding. For example, the tobacco license investigation fee which is rounded to the nearest \$5 had a calculated base amount of \$120.60 in 2012 and was rounded to \$120. For 2013, the calculated base increased to \$122.41, which rounded to the nearest \$5 leaves the fee at \$120.

5. Staff recommends that certain other fees not be increased for 2013 if they are adequate to cover current costs, are seldom used and therefore difficult to establish a cost basis, and/or are comparable to rates charged by other cities.

### **Ordinance Adjusting Building Inspection Fees**

At the November 7<sup>th</sup> meeting, Councilmember Klint and the Mayor asked if the ordinance was increasing fees. Generally, these fees are not increasing. Permit fees are nearly always based on the value (labor plus materials) of a project, which is provided to the City by the applicant. Other than the following four items, building inspection fees will be unchanged for 2013.

- The tier of \$1,000,001 and up has been eliminated in Table A-2013, so the highest tier is now \$500,001 and up. Structures over \$1,000,000, because of their size, typically require multiple inspection visits for certain components of the construction (e.g., all of the footings may not be ready for inspection at the same time), so inspection costs are higher while the \$1,000,001 and up tier was charging a lower fee per thousand for the amount beyond \$1,000,000. Elimination of this tier will have the effect of increasing the permit by \$50 for every \$100,000 of valuation over \$1,000,000.
- The inspection of garage door replacements, which is required by the State of Minnesota, has not previously been in the ordinance. This is now included as an item under Building Permit fees.
- A fee has been added for a Loan Property Condition Inspection and Report in the amount of \$250. An inspection is required for residents that obtain a city housing program loan. Residents have the option of contracting with a private inspector if they choose.
- The section on Sewer and Water Permit Fees now indicates that these fees will be calculated according to Table A-2013 with the exception of residential properties which will use flat rates as stated.

Councilmember Schulte also asked about the need for the review of construction documents (i.e. plan review) which have been prepared by an architect, engineer, or other design professional. The State Building Code requires that construction documents be submitted for review, and that the building official examine construction plans for compliance with the building code and other laws and ordinances (MN Rules 1300.0130). Experience has demonstrated time and again the value of plan review by code experts in catching errors or omissions that would affect building safety or functionality, or result in expensive corrections following installation or construction. Additionally, the plan review process usually includes review of the project by other departments, including Planning, Fire and Engineering.

### **Resolution 12-115 Establishing Certain Fees and Charges**

Items not increased by the annual adjustment are as follows:

*Fees set by State Statute.* These include the notary fee, returned check charge, day care inspection fee and document charges. The State did not change these fees for 2013.

*Water Meters.* The City purchases water meters and sells them to contractors for installation in new construction. The rate consists of our cost (including sales tax) and a markup of 33% to cover handling and future replacements since there is no charge for the replacement of water meters. Our cost has not changed since the time these fees were set a year ago, so there is no change to these fees.

*Planning and Inspection Letter.* This fee for the Community Development Department is being increased from \$50 to \$60 to offset costs actually incurred.

### **Resolution 12-116 Establishing Certain Fees and Charges for CTN Studios**

There were three changes to the CTN fee schedule: the P2 card (32 GB) rate was decreased from \$50/day to \$45/day, the Sennheiser wireless system at \$40/day was replaced with a Lectrosonics wireless system at \$50/day, and the HD truck rate was increased from \$5,200 to \$5,600 per day. All other CTN fees will remain the same for 2013.

### **Resolution 12-117 Establishing Sewer Availability Charges (SAC)**

Metropolitan Council Environmental Services (MCES) has notified the City that the basic SAC charge will be increased \$70 or 3.0%. SAC charges are collected by the City and remitted to MCES for all new or expanding sewer system users. The funds are used by MCES to retire debt incurred to build and expand the metro sewer system. Resolution 12-117 provides for the increase, changing the single family SAC from \$2,440 to \$2,510 which includes \$75 that the City retains to cover monitoring of property usage required by MCES.

### **Resolution 12-118 Establishing Certain Fees and Charges for Use of City Park Facilities**

The categories for determining user charges were changed to agree with the categories used for the Civic Center and Ice Center. This involved moving non-profits from the no-fee category to the regular fee category. This not only makes it consistent with other policies in the City, but also brings it in line with State guidelines which do not allow the City to donate funds or services. As part of the revised categories, non-resident fees were added for Riverwind, Lions Coon Creek Park and picnic shelters.

Other fee changes for park facilities are: the rates for picnic shelters at the Soccer Complex, Crooked Lake and Riverwind were changed from \$30 to \$36 for the first three hours and \$10 to \$12 for each additional hour (the same as shelter #4 at Lions Coon Creek Park); the Sand Creek Concession stand has been changed from \$60 for the first three hours and \$10 for each additional hour to a fixed daily amount of \$150; and the resident fees for soccer, baseball and football/lacrosse were increased from \$75 to \$100 for the two hour rate. All other park facility fees will remain the same for 2013.

### **Resolution 12-119 Establishing Certain Fees and Charges for Adult Softball Leagues**

Increases in registration fees for adult softball leagues ranged from 1% to 4% to cover increased costs of the program.

Mayor Howe asked if there were any significant increases. Finance Director Legg discussed the minor cost of living adjustments made to the fee schedule, along with the costs for the ice arena use.

Mayor Howe opened and closed the public hearing at 8:065 p.m. since no one appeared to address the Council.

MOTION BY COUNCILMEMBER SANDERS, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT AN ORDINANCE TO REVISE CERTAIN LICENSE FEES, SERVICE FEES AND RELATED CHARGES EFFECTIVE JANUARY 1, 2013. THE MOTION PASSED UNANIMOUSLY.

MOTION BY COUNCILMEMBER SANDERS, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT AN ORDINANCE ADJUSTING BUILDING INSPECTION FEES EFFECTIVE JANUARY 1, 2013. THE MOTION PASSED UNANIMOUSLY.

MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT RESOLUTION 12-115 ESTABLISHING CERTAIN FEES AND CHARGES EFFECTIVE JANUARY 1, 2013; ADOPT RESOLUTION 12-116 ESTABLISHING CERTAIN FEES AND CHARGES FOR USE OF CTN STUDIO FACILITIES EFFECTIVE JANUARY 1, 2013; ADOPT RESOLUTION 12-117 REVISING SEWER AVAILABILITY CHARGES (SAC) EFFECTIVE JANUARY 1, 2013; ADOPT RESOLUTION 12-118 ESTABLISHING CERTAIN FEES AND CHARGES FOR USE OF CITY PARK FACILITIES EFFECTIVE JANUARY 1, 2013; AND ADOPT RESOLUTION 12-119 ESTABLISHING CERTAIN FEES AND CHARGES FOR ADULT SOFTBALL LEAGUES EFFECTIVE JANUARY 1, 2013. THE MOTION PASSED UNANIMOUSLY.

#### OLD BUSINESS

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7. CONSIDER ADOPTION OF ORDINANCE REZONING PROPERTY AT SPRINGBROOK DRIVE AND 87<sup>TH</sup> AVENUE FROM COMMUNITY COMMERCIAL TO INDUSTRIAL, SHAMROCK DEVELOPMENT, PC 12-25
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Planner Harlicker presented a memorandum to Council stating the applicant is requesting the adoption of an ordinance rezoning certain property from Community Commercial to Industrial. The applicant has also submitted a request for a corresponding change to the Comprehensive Land Use Plan from Community Commercial to Industrial.

#### **Background**

In 1994, at the request of the property owner, the zoning of the subject parcel was changed from Industrial to Community Commercial; there was also a corresponding change to the Comprehensive Land Use Plan designation. In 2009 the City Council adopted the 2030 Comprehensive Land Use Plan, which identified the subject parcel as Office. In December 2010 the City Council considered rezoning the property to Office so that it was consistent with the Comprehensive Land Use Plan. Due to the lack of demand for office space and the changing market, the Council voted to deny the zone change from Community Commercial to Office. Subsequently, in April 2011, the City Council

approved an amendment to the Comprehensive Land Use Plan changing the subject property's land use designation from Office to Community Commercial.

The subject area is approximately 5.8 acres and part of a larger 23 acre parcel. The other 17 acres are zoned Industrial.

**Analysis**

When considering a request to rezone property, the Council should evaluate if there was some mistake in the original zoning, or if the character of the neighborhood has changed so that a reasonable use of the property cannot occur under the current zoning.

**Mistake in the Original Zoning**

The subject property was zoned Industrial until 1994, when it was changed to Community Commercial. At that time there was a significant amount of undeveloped industrial land in the city, the Springbrook Target had just been completed and the property owner thought there would be a need for additional commercial property along Springbrook Drive. Since that time, four commercial buildings have been constructed in the area, the latest in 2007. No new commercial development has occurred since then. The site is suitable for either commercial or industrial zoning. Staff does not believe that there was a mistake in the original zoning.

**Reasonable Use of the Property**

The subject property is part of a larger parcel that is currently undeveloped. Rezoning this area to Industrial will unify the zoning on the larger parcel and perhaps make it more desirable for development. Since the subject area was zoned Commercial, most of the Industrial zoned land has been developed. Rezoning the subject property to Industrial will create the largest undeveloped tract of Industrial zoned land in the City.

With the need for additional industrial zoned land in the City, the proximity to Evergreen Industrial Park, and unified land use, the rezoning of this subject property to Industrial can be considered a reasonable and appropriate.

The Council should also give consideration to the evaluation criteria found in Section 11- 307 when making their recommendation on rezoning requests.

<b>Section 11-307 Criteria</b>	<b>Comments</b>
Effect of public health, safety, order, convenience, and general welfare in the area.	<b>OK</b> - The proposed zoning will not adversely impact the area. The property is adjacent to the Evergreen Industrial Park.
Effect on present and potential surrounding land uses.	<b>OK</b> – The proposed zoning will not adversely impact the surrounding residential land uses.

<p>Conformance with the Comprehensive Land Use Plan.</p>	<p><b>OK</b> – Assuming the proposed land use amendment is approved, the proposed zone change will be consistent with the City’s Comprehensive Land Use Plan. The proposed land use designation is Industrial</p>
<p>Conformance with any applicable development district.</p>	<p><b>OK</b> – There is no applicable district plan in this area.</p>

Planning Commission Meeting

At the October 18th Planning Commission meeting no one spoke at the public hearing. The Commission's discussion included whether or not it is appropriate for industrial development, and the associated traffic, adjacent to Springbrook Drive. The Commission concluded that Industrial zoning was not appropriate for the eastern most portion of the subject property, which fronts on Springbrook Drive. It noted that the adjacent uses and Springbrook Drive itself were commercial in nature, and stated that the portion of the subject property, beginning at Springbrook Drive on the east and extending approximately 500 feet to the west, and bounded by 87th Avenue on the south and the grocery store to the north, should remain Community Commercial. However, the Commission concluded the balance of the subject property could reasonably be rezoned to Industrial.

The Planning Commission, by a vote of 4:0, recommended denial of the proposed rezoning as presented, but offered the aforementioned alternative. The applicant has since revised their request to reflect that alternative

**City Council Meeting**

At the City Council meeting held on November 7th the Council introduced the ordinance. The Council did not have any questions or comments regarding the application. The ordinance leaves that portion of the site along Springbrook Drive zoned as Community Commercial and rezones the balance of the subject property to Industrial.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT THE AN ORDINANCE APPROVING THE PROPOSED REZONING BASED ON THE FOLLOWING FINDINGS:**

1. THE PROPOSED ZONE CHANGE WOULD BE CONSISTENT WITH THE COMPREHENSIVE LAND USE PLAN.
2. THE PROPOSED ZONE CHANGE IS COMPATIBLE WITH THE SURROUNDING ZONING DISTRICTS AND LAND USES.
3. THE PROPOSED ZONE CHANGE WOULD NOT HAVE AN ADVERSE IMPACT ON THE AREA.

4. THE TIMES AND CONDITIONS HAVE CHANGE SUCH THAT INDUSTRIAL WOULD BE AN APPROPRIATE ZONING FOR THE PROPERTY.

THE MOTION PASSED UNANIMOUSLY.

#### NEW BUSINESS

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8. CONSIDER RESOLUTION APPROVING COMPREHENSIVE LAND USE PLAN AMENDMENT FROM COMMUNITY COMMERCIAL TO INDUSTRIAL, SHAMROCK DEVELOPMENT, PC 12-24
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City Planner Harlicker presented a memorandum to Council stating the applicant is requesting approval on an amendment to the City's Comprehensive Land Use Plan to change the land use designation from Community Commercial to Industrial.

#### **Background**

In 1994, at the request of the property owner, the zoning of the subject parcel was changed from Industrial to Community Commercial; there was also a corresponding change to the Comprehensive Land Use Plan designation. In 2009 the City Council adopted the 2030 Comprehensive Land Use Plan, which identified the subject parcel as Office. In December 2010 the City Council considered rezoning the property to Office so that it was consistent with the Comprehensive Land Use Plan. Due to the lack of demand for office space and the changing market, the Council voted to deny the zone change from Community Commercial to Office. Subsequently, in April 2011, the City Council approved an amendment to the Comprehensive Land Use Plan changing the subject property's land use designation from Office to Community Commercial.

The subject area is approximately 5.8 acres and part of a larger 23 acre parcel. The other 17 acres are guided Industrial.

#### **Analysis**

The stated intent of the *Community Commercial* land use designation is to provide for moderate intensity shopping centers and peripheral businesses serving wide areas of the City and having minimal detrimental influences on surrounding residential areas. The stated intent of the *Industrial* designation is that it includes primarily light manufacturing, warehousing, services, and related uses.

When considering this change in land use request, the following factors should be taken into account:

- The subject property has limited access to Highway 47
- The site abuts Evergreen Industrial Park.

- The west 17 acres of the parcel has a land use designation of Industrial.

The proposed amendment supports the City's Comprehensive Land Use Plan in that it is consistent with the goal of maintaining a strong economic base and encourages economic development. It will promote efficient land use, increase the City's tax base and increase the amount of industrial land in Evergreen Industrial Park.

A land use designation of Industrial would be an appropriate land use designation for this area. Industrial land uses do not need direct access to a principal arterial. This area would have access to Evergreen Boulevard, which is the main collector street for Evergreen Industrial Park. Changing the land use designation to Industrial would also unify the land use designation of the parcel.

Through site plan review industrial traffic generated by this area could be directed away from Springbrook Drive, which is a commercial street, and on to Evergreen Boulevard, which is an industrial street.

#### Planning Commission Meeting

At the October 18th Planning Commission meeting no one spoke at the public hearing. The Commission's discussion included whether or not it is appropriate for industrial development, and the associated traffic, adjacent to Springbrook Drive. The Commission concluded that Industrial land use was not appropriate for the eastern most portion of the subject property, which fronts on Springbrook Drive. It noted that the adjacent uses and Springbrook Drive itself were commercial in nature, and stated that the portion of the subject property, beginning at Springbrook Drive on the east and extending approximately 500 feet to the west, and bounded by 87th Avenue on the south and the grocery store to the north, should remain Community Commercial. However, the Commission concluded the balance of the subject property could reasonably be changed to Industrial.

The Planning Commission, by a vote of 4:0, recommended denial of the proposed land use amendment as presented, but offered the aforementioned alternative. The applicant has since revised their request to reflect that alternative. The resolution leaves that portion of the site along Springbrook Drive designated as Community Commercial and changes the balance of the subject property to Industrial.

**MOTION BY COUNCILMEMBER KLINT, SECONDED BY COUNCILMEMBER SANDERS, TO ADOPT RESOLUTION NO. 12-124 APPROVING THE PROPOSED COMPREHENSIVE LAND USE PLAN AMENDMENT BASED ON THE FOLLOWING FINDINGS:**

1. THE AREA IS PART OF A LARGER PARCEL THAT HAS A LAND USE DESIGNATION OF INDUSTRIAL.
2. THE PROPOSED AMENDMENT WOULD BE COMPATIBLE WITH THE ADJACENT COMMERCIAL DISTRICT.

3. THE PROXIMITY TO A COLLECTOR STREET (EVERGREEN BOULEVARD) PROVIDES GOOD ACCESS TO THE SITE WITHOUT TRAFFIC DRIVING THROUGH THE ADJACENT COMMERCIAL DISTRICT.
4. THE PROPOSED CHANGE IS CONSISTENT WITH THE COMPREHENSIVE PLAN IN THAT IT WILL PROVIDE LAND THAT CAN BE DEVELOPED IN A MANNER THAT WILL STRENGTHEN AND DIVERSIFY THE CITY'S ECONOMIC BASE.

THE MOTION PASSED UNANIMOUSLY.

9.      CONSIDER RESOLUTION 12-111 CALLING FOR REDEMPTION OF 2014 THROUGH 2017 BONDS OF 2002B, G.O. TAX INCREMENT REVENUE BONDS

Finance Director Legg presented a memorandum to Council stating the G.O. Tax Increment Bonds of 2002B should be called to save interest costs.

In February 2012, the City called \$510,000 of the G.O. Tax Increment Bonds leaving an additional \$195,000 that can now be called. These bonds are paying interest rates that are higher than present and near term interest rates.

The tax increment district that pays these bonds will have a deficit balance, but the negative investment yield will be less than the interest paid on the bonds, so staff recommends that these bonds be called on February 1, 2013.

MOTION BY COUNCILMEMBER SANDERS, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT RESOLUTION NO. 12-111 CALLING FOR REDEMPTION OF 2014 THROUGH 2017 BONDS OF 2002B, G.O. TAX INCREMENT REVENUE BONDS. THE MOTION PASSED UNANIMOUSLY.

10.      CONSIDER RESOLUTION 12-121 ESTABLISHING SEWER RATES

Finance Director Legg presented a memorandum to Council stating staff recommends that sewer rates be modified to base charges on the winter quarter water consumption.

As the City Council is aware, staff has been recommending changes to the sewer rates over the past few years to move away from billing a flat amount per customer to a rate that includes a consumption component. In 2012, the City implemented this change for townhomes, detached townhomes and quads. The only user group remaining with flat rates, are the single family and duplex residential homes, the majority of users. Sewer charges would be based on the winter quarter water use or less, if less is used. The winter quarter should be a more typical reflection of water that goes into the sewer system, when there is not yard sprinkling or car washing.

You may also recall that staff was recommending a base fee plus the consumption based fee. The base fee is still needed to cover fixed costs of the system, the lines and the lift stations. Again, this infrastructure needs to be maintained no matter how much water goes through the system. The amount paid to the Metropolitan Council is based on the prior year's flow into the system, which is about 63 percent of the operating expenses.

The City Council adopted a resolution stating that the winter quarter will consist of the following:

- District 1 - mid November through mid February billed March 1
- District 2 -mid December through mid March billed April 1
- District 3 - mid October through mid January billed February 1

To enable modifications to the utility billing system in advance of the February 1 billing date, staff is recommending the adoption of rates based on winter quarter water consumption to take effect with the February 1 billing.

The rate structure proposed targets the same amount of revenue that was earned in 2012. However, for some users, it will be an increase and others a decrease.

Presently, the single family and duplex rate is \$61.00 per quarter. Senior citizens receive a discounted rate of either \$42.35 or 32.50, depending on when they first enrolled. There are approximately 15,400 single family/duplex accounts. Staff is recommending that the base rate be established at 21.00 for single family homes and \$16.00 for duplexes. The cost per 1,000 gallons of water used in the winter quarter would be established at the same rate that was adopted earlier this year for all other residential properties, \$2.65 per 1,000 gallons. A minimum fee for single family and duplex properties would be \$41 and \$36, respectively. This equates to the base fee as well as 7,500 of usage. If a single family home uses the average winter quarter amount of water, 15,000 gallons, their sewer bill would remain the same. Those using less than 15,000 would see a decrease and obviously, those with more would pay more. The senior citizens with the low rate may see the biggest increase, which could be about \$8.50 per quarter. These accounts have been subsidized in the past, but would pay based on usage going forward.

If the recommended rate structure is adopted, approximately 9,208 (63%) of the single family homes will see a rate reduction. Senior citizens presently receiving the \$32.50 senior citizen rate (373 homes) will see an increase of \$8.50 (The minimum of \$41 less the 32.50). The remaining 5,160 single family homes will see an increase, unless they use less water than the past winter's usage. About 590 (79%) of the 745 buildings classified as a duplex or twin home, would see a reduction.

Additionally, staff is recommending that the base rate of \$10 for industrial and institutional properties be increased by \$10. Again, these types of properties require a greater amount of infrastructure to serve the property.

**MOTION BY COUNCILMEMBER KOCH, SECONDED BY COUNCILMEMBER SANDERS, TO ADOPT RESOLUTION NO. 12-121 ESTABLISHING SEWER RATES EFFECTIVE FEBRUARY 1, 2013.**

Councilmember Klint requested further information on the sewer rates. Finance Director Legg explained the proposal this evening was the last step in converting the sewer rates. The rates would be effective February 1, 2013. She recommended that all properties on a well remain at the minimum rate.

Councilmember Klint asked if a notice would be sent to the residents regarding the rate change. Finance Director Legg indicated a notice would not be sent as this has been discussed in detail by the City but an article would be printed in the paper regarding the new rates.

Mayor Howe stated he would not support the sewer rate increase as he did not understand the need for the change. He commented families and the elderly would be hurt by the proposed changes. Finance Director Legg explained only the seniors that were subsidized would see an \$8.50 increase.

Mayor Howe said he was in favor of keeping the sewer rate fixed.

Councilmember Schulte commented the sewer rates would not be tiered but instead based on use. He commented he supported the sewer rate as proposed.

Councilmember Koch questioned how much it would cost to establish a second meter to clearly evaluate the sewer usage. Finance Director Legg indicated this would be cost prohibitive and would be a time consuming process for staff.

Councilmember Sanders understood the Mayor's objection but was in favor of user based fees versus fixed fees. He supported establishing the new sewer rates.

City Attorney Brodie indicated this resolution required a majority (four votes) of the Council in order for it to be approved.

Councilmember Koch asked if using the winter month's water usage could establish an anomaly due to the holidays. Finance Director Legg commented this could happen unless less water was used in the following three months. She explained the lesser of the two would be the prevailing rate.

**THE MOTION FAILED 3-2, MAYOR HOWE AND COUNCILMEMBER KOCH OPPOSED.**

Finance Director Legg questioned how to proceed with this matter as a portion of the City has already moved to this system.

Councilmember Klint was in favor of bringing this item back to the Council within the next two meetings.

Councilmember Schulte requested this matter come back as he was already paying the modified rates as a townhome owner in the City. He wanted there to be a level playing field for all residents and business owners in Coon Rapids. He stated if the matter was not going to be brought back, than the previously modified rates should be reconsidered.

Councilmember Klint agreed with Councilmember Schulte indicating it would only be fair to bring this item back to assure fairness across the board for all water and sewer rates.

Mayor Howe stated there was a huge difference between water usage rates in a fixed system versus sewer rates in a fixed system. He indicated the sewer rates collected by the City were passed along to the Met Council and was not a revenue fund for the City.

Councilmember Klint requested the Council, in fairness, bring this matter back for further discussion.

Councilmember Koch was in favor of moving on to the next item on the agenda.

Mayor Howe noted there would be an impact on businesses through the proposed changes. He was in favor of moving on with the agenda and suggested this item be discussed at a future work session meeting by the Council. He explained the system has been unfair for a year given the fact the previous modifications to the sewer rates for businesses, townhomes/twin homes and apartments were made in 2011.

Councilmember Schulte indicated the previous modifications were made with the assumption that sewer rates would be modified for single family residential homes to keep the fee schedule fair. He commented that if the rates were not going to be increased, then the previously approved rates should be reviewed again by the Council.

Mayor Howe agreed with this suggestion.

#### 11.      APPROVE UTILITY PAYMENT INCREASE

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Finance Director Legg presented a memorandum to Council stating the City presently offers a number of methods in which to pay utility bills. Staff recommends offering an incentive for customers to pay using an automatic withdrawal from checking accounts, the most efficient and cost effective form of collection.

Utility billing customers can now pay their quarterly bill by one of three ways, cash/check, credit card or with an automatic withdrawal from their checking account on the due date of the bill. The automatic withdrawal from their checking account is very efficient for the City to process essentially it is an upload into the utility billing system. The City has offered it for a number of years and would like to further increase its use by offering a one-time discount of \$3 for users who sign up for it.

Checks that are received in the mail require handling, including opening, balancing and data entering as well as bank charges. Credit cards, although efficient, are very costly. The credit card company charges between 1.5 to 2 percent of the amount paid. The City paid about \$10,000 in credit card fees in 2012 for utility billing customers. There are about 3,500 customers using the automated withdrawal from the checking account.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KOCH, TO APPROVE THE PROPOSED UTILITY PAYMENT INCENTIVE BY OFFERING A ONE TIME \$3 DISCOUNT TO UTILITY BILLING CUSTOMERS TO SIGN UP FOR AUTOMATIC WITHDRAWAL FROM CHECKING ACCOUNTS.**

Councilmember Klint questioned if this included the residents who paid their bills online through their bank. Finance Director Legg stated this system differed and was more time consuming for Staff.

**THE MOTION PASSED 4-1, COUNCILMEMBER KLINT OPPOSED.**

**12.      CONSIDER RESOLUTION 12-120 AMENDING THE 2012 BUDGET TO ALLOW FOR THE PURCHASE OF GPS UNITS**

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Finance Director Legg presented a memorandum to Council stating the proposed 2013 Budget includes funds to purchase GPS units for plow trucks. Staff is recommending that these be purchased in 2012.

The 2013 Budget includes \$16,969 in the Storm Water Drainage fund for automated data collection units to collect data from all the plow trucks including salt application. You may remember, staff has consistently been trying to reduce the amount of salt used on streets in the past by installing scales and reading devices. These new devices, along with the software, will allow accurate tracking of how much and where material is spread. Preventing wasted salt not only will reduce costs, but also the negative impact on the environment.

Due to the fact that these devices are in the Proposed 2013 Budget, staff is requesting approval to purchase and install on trucks for the upcoming winter. The estimated cost of the equipment is \$11,000.

**MOTION BY COUNCILMEMBER SANDERS, SECONDED BY COUNCILMEMBER KOCH, TO ADOPT RESOLUTION NO. 12-120 AMENDING THE 2012 BUDGET TO ALLOW FOR THE PURCHASE OF GPS UNITS. THE MOTION PASSED UNANIMOUSLY.**

**13.      APPROVE UPDATED CITY CENTER FACILITIES POLICY TO ALLOW FOR SERVING OF INTOXICATING LIQUOR AT THE CITY CENTER**

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Finance Director Legg presented a memorandum to Council stating Staff is recommending the adoption of the updated Policy for Use of City Center Facilities.

As you know, the Civic Center is used for a number of events during the year including weddings, banquets, parties, athletic group functions, etc. In an effort to increase the use of the building, staff is recommending that licensed caterers be authorized to serve intoxicating liquors including hard liquor in addition to beer and wine. Staff does receive a number of requests for events where hard liquor would be served. Reviewing other city polices, there are a number of cities that do allow intoxicating beverages without issues.

Minnesota Statute 340A.405 does allow caterers that hold on-sale intoxicating liquor licenses to serve alcohol. The holder of a caterer's permit may sell intoxicating liquor as an incidental part of a food service that serves prepared meals at a place other than the premises for which the holder's on-sale intoxicating liquor license is issued.

The City already requires that a police officer be present when serving beer and wine. Thus that procedure will not change with the addition of hard liquor. Staff would send out a request for proposals to caterers licensed to serve alcohol and select up to three vendors to work in the facility. In some cases, a food caterer has the liquor license allowing the food and beverage vendor to be the same, but sometimes they are separate vendors.

Staff is not recommending an increase in rental fees.

**MOTION BY COUNCILMEMBER KOCH, SECONDED BY COUNCILMEMBER SANDERS, TO RECOMMEND THAT THE POLICY FOR USE OF CITY CENTER FACILITIES ALLOW INTOXICATING LIQUOR TO BE SERVED AT THE CIVIC CENTER.**

Councilmember Sanders requested further information on the vendor selection process. Finance Director Legg indicated staff was recommending three vendors be licensed with the City for providing this service to streamline the process.

Councilmember Koch stated limiting the vendors may reduce the effectiveness of providing this service.

Councilmember Klint agreed and recommended that five vendors be licensed instead of three.

Councilmember Sanders was in favor of increasing the number of approved vendors as well. Finance Director Legg commented by limiting the number of vendors to three, the City could establish a more serious relationship with each vendor given the liability the City was assuming.

Councilmember Koch said he was in favor of amending the motion to strike the language out referring to the selection of three vendors and instead that staff create a preferential list of vendors.

Councilmember Klint asked if five vendors would be sufficient. Finance Director Legg stated she feels quite strongly regarding this matter and recommended the Council have a number of approved vendors to protect the City against future liability.

Councilmember Koch questioned if staff could have a preferential list of preferred vendors or if the number had to be limited to three or five. Finance Director Legg commented the City could go out for bids to seek reputable vendors.

**MOTION AMENDMENT: MOTION BY COUNCILMEMBER KOCH, SECONDED BY COUNCILMEMBER SANDERS TO AMEND THE POLICY LANGUAGE REFERRING TO THE SELECTION OF THREE VENDORS AND INSTEAD ESTABLISH A PREFERENTIAL LIST OF VENDORS.**

Councilmember Klint noted she has used the facility for several family functions and she trusted City Staff on this issue and the recommendation before the Council. She requested the Council limit the number of vendors to five and reevaluate the matter in the future, if necessary.

Councilmember Koch suggested his previous amendment be withdrawn and that the number of approved vendors be amended to five. He wanted to be assured the City was not losing business by limiting the number of vendors.

Mayor Howe agreed to this recommendation.

**MOTION AMENDMENT: MOTION BY COUNCILMEMBER KOCH, SECONDED BY COUNCILMEMBER SANDERS TO LIMIT THE NUMBER OF APPROVED VENDORS TO FIVE INSTEAD OF THREE.**

**AMENDMENT VOTE: THE MOTION PASSED UNANIMOUSLY.**

**ORIGINAL MOTION VOTE: THE MOTION PASSED UNANIMOUSLY.**

#### **OTHER BUSINESS**

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Councilmember Schulte stated a resident living near Round Lake Boulevard and the Eye Clinic was concerned the County would be making changes with the intersection. He requested information from the staff.

Councilmember Schulte requested the Council discuss the improved surface parking situation at a future work session to ensure the ordinance was being uniformly enforced.

Mayor Howe agreed to discuss this at a future work session meeting.

Councilmember Koch noted the pedestrian crossing lights on Round Lake Boulevard were working

well.

City Manager Gatlin reviewed future meeting dates with the Council.

Mayor Howe suggested the Commission and Committee appointments be discussed by the Council at the January 7, 2013 Regular Council meeting. City Clerk Sorensen suggested the Council also discuss the vacancies on the various Commissions and Committees.

ADJOURN

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MOTION BY COUNCILMEMBER KOCH, SECONDED BY COUNCILMEMBER SANDERS,  
TO ADJOURN THE MEETING AT 9:06 P.M. THE MOTION PASSED UNANIMOUSLY.

\_\_\_\_\_  
Tim Howe, Mayor

ATTEST:

\_\_\_\_\_  
Cathy Sorensen, City Clerk

## UNAPPROVED

### COON RAPIDS CITY COUNCIL MEETING MINUTES OF DECEMBER 4, 2012

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#### OPEN MIC/PUBLIC COMMENT

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Lori Anderson, President of the Coon Rapids Lions Club, thanked the Council and staff, particularly Parks Supervisor Gregg Engle, for working to complete the installation of the electronic message board at Coon Creek Lions Park.

Mayor Howe thanked Ms. Anderson for bringing this concern to the City's attention.

#### CALL TO ORDER

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The first regular meeting of the Coon Rapids City Council for the month of December was called to order by Mayor Tim Howe at 7:02 p.m. on Tuesday, December 4, 2012, in the Council Chambers.

#### PLEDGE OF ALLEGIANCE TO THE FLAG

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Mayor Howe led the Council in the Pledge of Allegiance.

#### ROLL CALL

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Members Present: Mayor Tim Howe, Councilmembers Denise Klint, Melissa Larson, Paul Johnson, Jerry Koch, Bruce Sanders and Scott Schulte

Members Absent: None

#### ADOPT AGENDA

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MOTION BY COUNCILMEMBER KLINT, SECONDED BY COUNCILMEMBER SANDERS, TO ADOPT THE AGENDA AS PRESENTED.

Mayor Howe referred to Item 6 and how the new sewer rates would affect the elderly and larger families. He said he understood the water rates were tiered but was not in favor of having a tiered sewer rate. He requested the rates be reexamined prior to Council action.

Councilmember Schulte indicated the item was before the Council this evening and could be discussed.

Finance Director Legg explained she had presented several rate options within her memorandum for the Council to consider.

Mayor Howe stated he would look to staff for comment on this item when it came up on the agenda.

THE MOTION PASSED UNANIMOUSLY.

**PROCLAMATIONS/PRESENTATIONS**

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1.      **CONSIDER RESOLUTION 12-130 ACCEPTING THE DONATION OF ITEMS FROM WARNERS' STELLIAN AND THE LIONS CLUB FOR USE AT THE RIVERWIND TEEN CENTER**
- 

Mayor Howe indicated representatives from Warners' Stellian were in attendance to present some gently used appliances for use at the Riverwind Teen Center. The Lions Club was also present to be recognized for their past donations of Nacho and Icee machines to the same facility. The new appliances will be helpful to the various users of the Teen Center and replace older outdated items, and the new snack machines have already been put to good use. He thanked both the Lions Club and Warners' Stellian for their generous donations.

Kelly Nye, supervisor at the Riverwind Teen Center, provided information on the services and activities available at the teen center. She indicated the teen center provided a free, safe and comfortable environment for teens in grades sixth through twelfth. Ms. Nye thanked both Warners' Stellian and the Lions Club for their donations. Several youth from the Teen Center also offered their thanks.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT RESOLUTION NO. 12-130, ACCEPTING THE DONATION OF GENTLY USED APPLIANCES FROM WARNERS' STELLIAN, AND SNACK MACHINES FROM THE LIONS CLUB, FOR USE AT THE RIVERWIND TEEN CENTER. THE MOTION PASSED UNANIMOUSLY.**

**APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

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None.

**CONSENT AGENDA/INFORMATIONAL BUSINESS**

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2.      **ACCEPT ENCROACHMENT AGREEMENT FOR PORTIONS OF CITY'S RIGHT-OF-WAY ALONG EGRET BOULEVARD, DAVID M. SCOTT AND PAMELA J. SCOTT**
3.      **APPROVE JOINT POWERS AGREEMENT WITH ANOKA COUNTY FOR MUNICIPALITIES, TOWNSHIPS, AND SCHOOL DISTRICTS IN ANOKA COUNTY TO ALLOCATE COSTS FOR ELECTION EXPENSES AND AUTHORIZE CITY MANAGER AND CITY ATTORNEY TO APPROVE ANY MINOR NON-SUBSTANTIVE**

**CONTRACT CHANGES**

**4. APPROVE 2013 LICENSE RENEWALS**

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MOTION BY COUNCILMEMBER KOCH, SECONDED BY COUNCILMEMBER LARSON, FOR APPROVAL OF THE CONSENT AGENDA AS PRESENTED. THE MOTION PASSED UNANIMOUSLY.

**PUBLIC HEARING**

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5. 2013 BUDGET AND TAX LEVY:
- A. TRUTH IN TAXATION HEARING, 7:00 P.M.
  - B. CONSIDER RESOLUTION 12-125 ADOPTING THE 2013 BUDGET
  - C. CONSIDER RESOLUTION 12-126 ADOPTING THE 2013 TAX LEVY
- 

Finance Director Legg presented a memorandum requesting the Council hold the Truth-In-Taxation (TNT) hearing and consider adoption of the 2013 budget and tax levy.

It was noted the budget was discussed at a work session on August 9. A preliminary levy was certified to the County. December 4 was set as the Truth in Taxation public meeting at which the proposed budget for taxes payable year 2013 must be presented and discussed. The public must be given a reasonable amount of time to comment on the proposed property tax levy and budget and to ask questions. Staff made a short budget presentation noting the anticipated revenues and expenditures for 2013. The strategic issues and budgetary impacts were discussed in detail. The market value of several homes and commercial properties were reviewed with the Council along with the correlating property taxes.

After the public hearing, resolutions adopting the budget and the tax levy are recommended for adoption.

Mayor Howe opened the truth in taxation hearing at 7:37 p.m.

Pete Anderson, 1761 102<sup>nd</sup> Circle NW, noted he was a 31-year resident of Coon Rapids. He thanked the Council for the wonderful services provided by the Coon Rapids Police Department, City Council and City staff.

Mayor Howe closed the truth in taxation hearing at 7:40 p.m.

MOTION BY COUNCILMEMBER SANDERS, SECONDED BY COUNCILMEMBER JOHNSON, TO ADOPT RESOLUTION NO. 12-125 ADOPTING THE 2013 BUDGET; AND ADOPT RESOLUTION NO. 12-126 ADOPTING THE 2013 TAX LEVY.

Councilmember Sanders commended staff for their diligent work on this year's budget.

Councilmember Schulte agreed and thanked both staff and Council for working together on the budget.

Mayor Howe thanked staff for their work on behalf of the City on the budget, as this was a long process. He explained the loss of Local Government Aid has led to cuts and the Council had to reduce in several areas.

Councilmember Johnson stated housing values were starting to rise and this trend would make its way to Coon Rapids in time.

THE MOTION PASSED UNANIMOUSLY.

## OLD BUSINESS

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### 6. RECONSIDER ESTABLISHING SEWER RATES

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Finance Director Legg presented a memorandum to Council stating staff recommends reconsideration of sewer rates based on the winter quarter water consumption.

At the November 20 Council meeting, Resolution 12-121 was denied 3-2, Mayor Howe and Councilmember Koch opposed. Based on concerns brought forward by Council after the resolution failed, staff is providing a couple of options for possible reconsideration. Included is the memo from the prior Council meeting to avoid repeating information presented at that time.

Additionally, included are graphs of various consumptions (sorted from low to high) of the City's current rate as compared to other cities and the proposed rates compared to other cities. Please note, staff used the 2012 rates of other cities since most will not have the 2013 rates available at this time. Generally, cities raise rates annually. You will notice along with the name of the city, in parenthesis, there is an F or V. The F means the city uses a fixed base fee and the V means the city uses a variable fee. A combination of an F and V means the city use a fixed base fee along with the variable charge, similar to what staff is currently proposing. You may recall that presently the City charges a fixed fee of \$61 for single/duplex regardless of usage, which is equivalent to the usage for 15,000 gallons with the proposed rates.

If Coon Rapids were to implement the new rate system, 65% of the single family accounts (9,500) would pay the same as the present rate or go down. Nearly 18% (2,600) of the single family customers use from 16,000 through 20,000 gallons, 9% (1,250) use 21,000 through 25,000 gallons, and the rest (1,200) use over 25,000 gallons of water in the winter. With the proposed rate system, 20,000 gallons would cost \$74 per quarter and 25,000 gallons would cost \$87.25.

Given the same rate structure, if the City were to cap sewer charges at 25,000 gallons or 87.25 per quarter, the City would lose roughly \$90,000 on the single family accounts. If we were to cap usage at 30,000 or \$100, there would be about \$40,000 in lost revenue. In the short term, this will be

manageable as a way to phase in the new structure. Alternatively, the base fee could be increased by \$1.50 to absorb a \$90,000 loss in usage charges.

With regard to duplexes, there are approximately 745 of them in the City. Given the recommended rate structure, 570 (77%) of them would see a rate decrease and the rest, 175 (23%) would see a rate increase. Capping them at 25,000 gallons would be \$82.25, since they have a smaller base fee. If maximum sewer bills are to be implemented, this should also be done for the townhouses, detached townhouses and quads already on a winter quarter consumption rate. This could only impact those individually metered accounts. Common metered building and commercial and industrial would still have sewer based on consumption.

In terms of those customers receiving a senior citizen discount, there would be less than 373 single family homes impacted by implementing the proposed rate system. Unfortunately, it would be very difficult to determine senior citizens still in their homes a year or two ago when the rates were changed for the townhouses, detached townhouses and quads. At that time there were 175 of them. It should be pointed out again, that these accounts were clearly significantly subsidized by other users.

Staff needs to also let the City Council know that the Utility Billing Personnel get many, many calls about sewer bills. Presently, there is nothing to offer citizens as an option to control their costs. In terms of high users, residents are notified if there may be a leak in their home, that water is continually running, and they do not seem to solve their situation that is showing up on the leak report quarter after quarter. This flow is being paid for by residents that are conscientious.

Mayor Howe stated this item was being brought back to the Council for reconsideration at his request. He noted townhomes and multi-family unit sewer rates were tiered last year. The Council was then asked to review a tiered sewer rate schedule for residential home owners. At the Council's November 19<sup>th</sup> meeting, this item failed. He expressed concern on the rates proposed for seniors and large families.

Finance Director Legg explained sewer rates were fixed in the past to cover infrastructure needs for the City and to cover the Metropolitan Council flow rates. She indicated the new tiered rates would have a \$21.00 base fee plus \$2.65 per 1,000 gallons of flow in the winter quarter. This would allow for the rates to be based more closely on use. She explained the \$2.65 per 1,000 gallons was closely aligned with the rates charged by the Metropolitan Council.

Finance Director Legg indicated in the past senior water rates were subsidized due to their lower water usage. She explained the proposed sewer rates would increase utility bills by \$8.50 for 173 seniors in the community. She understood there was concern with this increase.

Finance Director Legg stated another area of concern was with sewer rates for larger families. She indicated one option for the Council would be to cap the sewer rates, however, this would lead to a \$90,000 loss for the City. To make up for this loss, the Council could add another \$1.50 to the base fee.

Mayor Howe said he was in favor of splitting the difference on the senior rates and capping the sewer rates for larger families, along with increasing the base rate to \$22.00. Finance Director Legg commented this would cover 2/3 of the estimated loss. She indicated the recommended changes could be made and the Council could reevaluate the rates in one year.

**MOTION BY MAYOR HOWE, SECONDED BY COUNCILMEMBER SANDERS, TO ADOPT RESOLUTION NO. 12-121 ESTABLISHING SEWER RATES WITH A BASE RATE OF \$22.00, SETTING A CAP FOR LARGER FAMILIES TO BE \$90 AND SPLITTING THE DIFFERENCE FOR SENIORS.**

Councilmember Koch asked who qualified for the senior rate. Finance Director Legg indicated the subsidized senior rate was grandfathered in and no new seniors would qualify for this rate.

Councilmember Koch thanked staff for the amount of data provided this evening. He indicated it appears 63% of the sewer rates were based on flow and 37% was based on fixed costs. Finance Director Legg stated this was the case.

Councilmember Koch agreed with the recommended changes.

Councilmember Sanders said he was in favor of basing the sewer rates on consumption as this has already shifted for other properties in the community.

Mayor Howe stated the sewer rates for residential homes would be tiered, with several tweaks to decrease the impact to seniors and large families, with the Council reevaluating the rates in one year.

Finance Director Legg stated she would be calculating the \$90 cap to the proper number of gallons and suggested this cap also be transferred over to twin homes/duplex sewer rates in the City. The Council supported this recommendation.

Councilmember Johnson asked if the subsidized senior rate was a shrinking pool. Finance Director Legg indicated this was the case. She explained the new rate was solely based on use and seniors typically used less water.

Mayor Howe said he appreciated the proposed changes to the sewer rates, as this would lessen the large impact on several groups.

**THE MOTION PASSED UNANIMOUSLY.**

**NEW BUSINESS**

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7.      **CONSIDER INTRODUCTION OF ORDINANCE AMENDING THE OFFICIAL ZONING MAP FROM LOW DENSITY RESIDENTIAL 2 TO MODERATE DENSITY RESIDENTIAL, TIM TRONSON, 1354 121<sup>ST</sup> AVENUE NW, PC 12-27**
-

Planner Harlicker presented a memorandum to Council stating the applicant is requesting the introduction of an ordinance rezoning certain property from Low Density Residential 2 to Moderate Density Residential. The applicant has also submitted a request for a corresponding change to the Comprehensive Land Use Plan from Low Density Residential to Moderate Density Residential. Providing the Council introduces the zoning request, both the Land Use Plan amendment and rezoning are scheduled for the Council's December 18th meeting.

**Background**

The applicant is requesting a zone change from Low Density Residential 2 (LDR2) to Moderate Density Residential (MDR). The property is five acres in size and contains a single family home and several outbuildings. It is estimated that approximately 1.5 acres is within the 100 year flood plain according to FEMA flood maps. The area within the flood plain is the southeastern portion of the lot, adjacent to the ditch. Areas within a floodplain are difficult to development because any floodplain filled has to be replaced within the same drainage basin. A more accurate delineation of the floodplain will be required with future development plans

**Analysis**

When considering a request to rezone property, the Council should evaluate if there was some mistake in the original zoning, or if the character of the neighborhood has changed so that a reasonable use of the property cannot be made under the current zoning classification.

**Mistake in the Original Zoning**

The property has been zoned single family residential since 1976. There has been no change in the zoning since that time. Staff does not believe that there is evidence to support the case that there was a mistake in the original zoning.

**Reasonable Use of the Property**

The surrounding properties have been developed with a mix of moderate density townhomes and single family residences. This remaining parcel is a triangular shape that does not lend itself to being developed efficiently into single family lots. The flexibility of design available with a townhouse development would allow full development of the site that also allows for a buffer with the adjacent single family homes. 121st Avenue is designated a collector street and could accommodate the traffic generated by a townhome development on this site.

The Council should also give consideration to the evaluation criteria found in Section 11- 307 when making their decision on rezoning requests.

Section 11-307 Criteria	Comments
Effect of public health, safety, order, convenience, and general welfare in	<b>OK</b> - The proposed zoning will not adversely impact the area. The property is adjacent to townhouse developments and single

the area.	family homes.
Effect on present and potential surrounding land uses.	<b>OK</b> – The proposed zoning will not adversely impact the surrounding residential land uses. Future moderate density residential development would serve as an extension of the adjacent townhouse developments.
Conformance with the Comprehensive Land Use Plan.	<b>OK</b> – Assuming the proposed land use amendment is approved, the proposed zone change will be consistent with the City’s Comprehensive Land Use Plan. The proposed land use designation is Moderate Density Residential.
Conformance with any applicable development district.	<b>OK</b> – There is no applicable district plan in this area.

**Planning Commission Meeting**

At the Planning Commission meeting held on November 15th, six residents spoke at the public hearing. The residents' concerns included the following:

- potential impact on their property values
- the City does not anymore townhouses
- removal of the trees would increase the noise they experience
- make sure that any grading would not impact their property
- potential impacts on wildlife
- loss of open space

Staff also answered questions regarding the site plan review process, who was requesting the zone change, was the City involved with the sale of the property and the environmental review process.

The Commission believed that the rezoning to Moderate Density Residential is reasonable and would be compatible with the adjacent single family homes. The Commission voted 7:0 to recommend approval of the rezoning.

Hearing no objections, Mayor Howe declared the ordinance to have been introduced.

8. PURCHASE OF SURVEILLANCE CAMERA FROM DWI FORFEITURE FUNDS
  - A. AUTHORIZE USE OF DWI FORFEITURE FUNDS FOR PURCHASE OF CAMERA SYSTEM
  - B. CONSIDER RESOLUTION 12-128 AMENDING THE 2012 LAW

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ENFORCEMENT PROGRAMS FUND BUDGET

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Police Chief Wise presented a memorandum to Council stating staff is recommending funds from the DWI Forfeiture Account be used to purchase a portable, pole-mounted surveillance system.

Staff is working to better secure vehicles stored in the vehicle forfeiture lot through the use of an enhanced remote surveillance. At this time there are 65 vehicles, 3 motorcycles, 5 trailers, and multiple other evidence items stored in the lot. The proposed expenditure is for a high grade camera system that is both portable and can withstand harsh weather. This system comes highly recommended from other law enforcement agencies that were contacted as references.

MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KLINT, TO AUTHORIZE THE USE OF DWI FORFEITURE FUNDS TO BE USED FOR THE PURCHASE OF A POLE MOUNTED CAMERA SYSTEM AT A TOTAL COST, INCLUDING ALL TAXES AND FREIGHT, OF NO MORE THAN \$7,000; AND ADOPT RESOLUTION NO. 12-128 TO INCREASE THE CAPITAL OUTLAY BUDGET IN THE DUI FORFEITURES ACTIVITY OF THE LAW ENFORCEMENT PROGRAMS FUND IN THE AMOUNT OF \$7,000. THE MOTION PASSED UNANIMOUSLY.

9. APPROVE JOINT POWERS AGREEMENT WITH ANOKA COUNTY FOR CONSTRUCTION OF A READER BOARD MONUMENT AT BUNKER HILLS REGIONAL PARK

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A memorandum was presented from Public Works Director Himmer stating staff and Anoka County have been working on the planning and construction of a reader board monument sign at Bunker Hills Regional Park for some time. The reader board will be used by both groups to advertise the various activities and facilities located within the park. The project estimate is approximately \$175,000, with a 50-50 cost split between the entities. The Joint Powers Agreement (JPA), which was approved by the Anoka County Board earlier this month, outlines the responsibilities of each entity through project completion.

In addition to the 50-50 cost split for project funding, both entities will be providing labor and materials for portions of the work in an effort to keep costs down. The City responsibility of site plan development and grading is now substantially complete. Project plans are currently being reviewed, with the intent to bid the project over the winter and construct the monument in the spring. Both City and County staff have been involved in developing the project plans, and both entities will be providing time in the review, installation, and inspection of the work through completion.

MOTION BY COUNCILMEMBER LARSON, SECONDED BY COUNCILMEMBER JOHNSON, TO APPROVE THE JOINT POWERS AGREEMENT WITH ANOKA COUNTY FOR THE CONSTRUCTION OF A READER BOARD MONUMENT AT BUNKER HILLS REGIONAL PARK.

Councilmember Schulte requested an update on the sign installation. City Manager Gatlin explained the County had delayed this process until after the election but noted the sign's foundation was complete. He said that due to the colder weather he anticipated the work would begin on the sign in March or April with the sign completed in June.

THE MOTION PASSED UNANIMOUSLY.

**OTHER BUSINESS**

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None.

**ADJOURN**

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MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER LARSON,  
TO ADJOURN THE MEETING AT 8:17 P.M. THE MOTION PASSED UNANIMOUSLY.

\_\_\_\_\_  
Tim Howe, Mayor

ATTEST:

\_\_\_\_\_  
Cathy Sorensen, City Clerk



## City Council Regular

1.

**Meeting Date:** 12/18/2012

**Subject:** CRMAF Report to the City Council - 2012 Annual Meeting of December 6, 2012

**Submitted For:** Donna Naeve, President, Coon Rapids Mortgage Assistance Foundation

**From:** Cindy Hintze, Administrative Specialist

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### INTRODUCTION

The Bylaws of the Coon Rapids Mortgage Assistance Foundation (CRMAF), Article. III, Section. 14, require that minutes of meetings of the Board of Directors be forwarded to the Coon Rapids City Council. Forwarded herewith are minutes of the 2012 Annual Meeting held on December 6, 2012. Elections to the Foundation Board of Directors were held; the CRMAF Bylaws provide that the City Council may veto the election of any individual to serve as a member of the Board.

### DISCUSSION

The minutes of the Annual Meeting of the Foundation for December 6, 2012, are attached. Included are the following actions:

1. Al Hofstedt and Scott Schulte were re-elected to three-year terms on the Board of Directors.
2. Donna Naeve, Jim Stanton, Lyle Haney and Scott Schulte were elected to the offices of President, Vice President, Treasurer and Secretary, respectively.
3. A Strategic/Visioning Plan and Project Funding Guidelines for Fund 82000, the CRMAF fund held in escrow at the City of Coon Rapids, were adopted. The Strategic/Visioning Plan sets forth three goals: to establish priorities and guidelines for Fund 82000, to improve information flow between the Foundation and the community and, lastly, to become more strategic and informed about future needs. The Project Funding Guidelines envision an open application pipeline for funding with grants limited to the interest earned on Fund 82000 and loans of the principal fund balance that would be limited to bricks and mortar projects. The guidelines call for supporting pilot projects and foresee successful programs being transferred to the CRMAF Program Fund 20000. The guidelines rely heavily on the Board's majority direction that the funds be used for housing related purposes, that they support an identified housing related need of the City's 2009 Comprehensive Plan and that they be used within the corporate city limits by current or future residents of Coon Rapids. The guidelines list consideration for funding provided, but not limited, to housing structure preservation, housing value enhancements, housing accessibility improvements and pilot projects related to housing.
4. The potential of new programming efforts was discussed and staff was directed to bring forward program funding opportunities related to Homes for Generations Two, senior housing programs, a housing resource fair providing one-on-one contact between residents and the professional design services field, senior housing, and green remodeling.

Financial reports were reviewed and approved. The Board of Directors is not recommending any modifications to the financial programming at this time.

### ALIGNMENT WITH STRATEGIC VISION

This item relates to the **Community Development/Redevelopment and Housing** sections of the City's long term strategic vision in the following ways: Home improvement and down payment assistance loans enable development that is diversified and sustainable and that supports a high quality of life in neighborhoods.

**RECOMMENDATION**

The Foundation requests that the City Council receive this report with attached minutes and place it on file.

Article III, Section 3. of the Bylaws of the Coon Rapids Mortgage Assistance Foundation provides City Council with the power of veto over the election of the directors elected at the Annual Meeting. If no veto is forthcoming, the elections of Al Hofstedt and Scott Schulte will stand.

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**Attachments**

CRMAF 12/06/12 Annual Meeting Minutes

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**COON RAPIDS MORTGAGE ASSISTANCE FOUNDATION – ANNUAL MEETING  
MINUTES OF DECEMBER 6, 2012**

The December 6, 2012, meeting was called to order by President Naeve at 8:30 a.m.

1. Roll Call

Members Present: Donna Naeve, President Jim Stanton, Vice President  
Lyle Haney, Treasurer Scott Schulte, Director  
Al Hofstedt, Director

Members Absent: Brad Crandall, Secretary Tim Howe, Director

Others Present: Cheryl Bennett, Housing and Zoning Coordinator  
Steve Gatlin, City Manager  
Fran Hanson, Accounting Supervisor  
Cindy Hintze, Administrative Specialist

2. Consider adoption of the agenda.

Treasurer Haney noted that in the past there were always separate agendas for two December meetings; all business for the annual meeting on the first agenda and the second agenda included items for the future. President Naeve stated the Bylaws do not require two agendas. Treasurer Haney noted the Board of Directors may change during the meeting. President Naeve stated the single agenda was done at her request after consultation with staff and the Bylaws, noting that a Director serves until a successor is elected and sworn in by City Council. Ms. Bennett stated she considered past agendas for the sequence of this agenda and maintained the previous order of business.

MOTION BY DIRECTOR SCHULTE, SECOND BY DIRECTOR HOFSTEDT, TO ADOPT THE AGENDA. MOTION PASSED UNANIMOUSLY.

3. Consider approval of minutes: December 1, 2011, Annual Meeting; December 1, 2012, Board of Directors Meeting and May 30, 2012, Board of Directors Meeting.

MOTION BY VICE PRESIDENT STANTON, SECOND BY TREASURER HANEY, TO APPROVE THE DECEMBER 2, 2011, ANNUAL MEETING MINUTES. MOTION PASSED UNANIMOUSLY.

MOTION BY DIRECTOR SCHULTE, SECOND BY VICE PRESIDENT STANTON, TO APPROVE THE DECEMBER 1, 2012, BOARD OF DIRECTORS MEETING MINUTES. MOTION PASSED UNANIMOUSLY.

MOTION BY DIRECTOR SCHULTE, SECOND BY DIRECTOR HOFSTEDT, TO APPROVE THE MAY 30, 2012, MINUTES. MOTION PASSED UNANIMOUSLY.

4. Receive minutes of Executive Committee meeting of February 22, 2012.

MOTION BY VICE PRESIDENT STANTON, SECOND BY DIRECTOR SCHULTE, TO RECEIVE THE MINUTES OF THE EXECUTIVE COMMITTEE. MOTION PASSED UNANIMOUSLY.

5. Consider financial reports.

Ms. Hanson reviewed the financial documents. Ms. Bennett inquired whether interest is accounted for as it accrues. Ms. Hanson replied that it is updated for the annual meeting, but at anytime during the year, she would be able to retrieve the information. There was discussion of the performance of the funds and what was paid from each fund.

City Manager Steve Gatlin joined the meeting at 8:45 a.m.

MOTION BY TREASURER HANEY, SECOND BY VICE PRESIDENT STANTON, TO ACCEPT THE FINANCIAL REPORTS. MOTION PASSED UNANIMOUSLY.

6. Elections: Elect Directors for three-year terms.

President Naeve stated the terms of Directors Hofstedt and Schulte expire December 31, 2012. President Naeve stated both directors have expressed interest in continuing to serve.

PRESIDENT NAEVE NOMINATED AL HOFSTEDT AND SCOTT SCHULTE AS DIRECTORS. There were no further nominations.

MOTION BY TREASURER HANEY, SECOND BY VICE PRESIDENT STANTON, TO ELECT HOFSTEDT AND SCHULTE AS DIRECTORS. MOTION PASSED UNANIMOUSLY.

7. Election of Officers: President, Vice President, Treasurer and Secretary.

President Naeve stated that Secretary Crandall is not in attendance and that he also missed the last meeting. She was uncertain if he was interested in continuing as Secretary. Vice President Stanton suggested electing officers individually. President Naeve inquired as to the opinion of the board and it was decided to elect officers individually.

TREASURER HANEY NOMINATED DONNA NAEVE AS PRESIDENT. There were no further nominations.

MOTION BY TREASURER HANEY, SECOND BY DIRECTOR SCHULTE, TO ELECT DONNA NAEVE AS PRESIDENT. MOTION PASSED UNANIMOUSLY.

TREASURER HANEY NOMINATED JIM STANTON AS VICE PRESIDENT. There were no further nominations.

MOTION BY TREASURER HANEY, SECOND BY DIRECTOR SCHULTE, TO ELECT JIM STANTON AS VICE PRESIDENT. MOTION PASSED UNANIMOUSLY.

VICE PRESIDENT STANTON NOMINATED LYLE HANEY AS TREASURER. There were no further nominations.

MOTION BY VICE PRESIDENT STANTON, SECOND BY DIRECTOR SCHULTE, TO ELECT LYLE HANEY AS TREASURER. MOTION PASSED UNANIMOUSLY.

TREASURER HANEY NOMINATED SCOTT SCHULTE AS SECRETARY. There were no further nominations.

MOTION BY TREASURER HANEY, SECOND BY DIRECTOR HOFSTEDT, TO ELECT SCOTT SCHULTE AS SECRETARY. MOTION PASSED UNANIMOUSLY.

8. Receive report from staff summarizing the status of the Housing Loan Program.

Ms. Bennett clarified a date in the staff memo relating to the current allocation "...following the Board's December 2012 recommendation..." should refer to 2011 instead of 2012.

Ms. Bennett reported that the number of loans has decreased, noted that having a 100 percent loan to value ratio requirement may be eliminating some applications. She noted this may also have been affected by the City's Block Grant rehab program that forgives 50 percent of its rehab loan after 5 years. She noted that Minnesota Housing has a higher loan to value ratio of 110 percent and that it also provides unsecured rehab loans. She provided information on the marketing efforts of the loan products, including the Coon Rapids newsletter, North Suburban Home Improvement Show, Green Expo, utility bill mailings, and information kiosks in City Hall. She noted that the format of the Coon Rapids newsletter is changing in 2013 to four editions with additional page that will provide greater exposure.

Mr. Gatlin left the meeting at 8:58 a.m.

President Naeve asked if the loan to value ratio should be changed. Director Hofstedt stated changes are happening with the economy and suggested it not be changed but that it be revisited next year.

Ms. Bennett noted the delinquency rate of 8.34 percent which is not atypical rate for similar government assistance loan programs.

Ms. Bennett reported on loan subordination requests made in 2012 noting there have been seven requests involving eight program loans. This is a subject she requested the Board revisit regularly.

President Naeve declared the report received.

MOTION BY DIRECTOR SCHULTE, SECOND BY VICE PRESIDENT STANTON, TO REAFFIRM THE NONSUBORDINATION POLICY OF PROGRAM LOANS. MOTION PASSED UNANIMOUSLY.

9. Receive report from staff summarizing the status of the ReGenerations Down Payment Assistance Loan Program.

Ms. Bennett reported this is the third year of the program and that 18 loans have been issued to date. She stated the number may not seem large number, but noted it is tied to a specialty mortgage product. She noted applicants are first time homebuyers. The average assistance is approximately \$4,700 and the average rehabilitation project \$19,740. All homes, with the exception of one, were foreclosures, noting two of these were short sales in the foreclosure process. Director Schulte noted that most of the homebuyers were from outside Anoka County and moved into the area. He also noted that although 18 loans is not a large number, it is more than he expected. Ms. Bennett reported that program activity started slowing in 2012 and recently picked up.

President Naeve asked if any changes should be made to the down payment assistance program. Director Schulte said the Board should look to staff for perspective and also stated that the program seems to be doing well. He asked if applicants are being turned away. Ms. Bennett replied those not receiving loans were for issues out of the program's control.

President Naeve declared the report received.

10. Consider Draft Strategic/Visioning Plan and Project Funding Guidelines for Fund 82000.

President Naeve stated this section will be discussed in three parts: Strategic/visioning plan, funding guidelines, and housing needs and goals. Ms. Naeve noted that she had met with Ms. Bennett after the Strategic/Visioning Plan had been received from session facilitator Barbara Raye to make some adjustments to provide realistic dates.

President Naeve referred to the guidelines and the summary received from Barbara Raye and Cathy Bennett of the Center for Policy, Planning & Performance. President Naeve suggested adding an item to consider the needs and goals identified in the City's 2009 Comprehensive Plan.

President Naeve suggested modifying guidelines for Fund 82000 under proposed uses to read in item one "...as identified by the Comp Plan 2009", and in item two to clarify limiting funds available to the *annual* investment income. Ms. Bennett asked for clarification if the income is less expenses. Director Schulte stated it should be the excess income over expenses.

MOTION BY DIRECTOR SCHULTE, SECOND BY TREASURER HANEY, TO ADOPT THE DRAFT STRATEGIC/VISIONING PLAN. MOTION PASSED UNANIMOUSLY.

MOTION BY DIRECTOR SCHULTE, SECOND BY VICE PRESIDENT STANTON, TO ADOPT FUND 82000 PROJECT FUNDING GUIDELINES. MOTION PASSED UNANIMOUSLY.

President Naeve opened discussion on the Home for Generations Two program funding ideas presented by staff. Ms. Bennett stated that HFG2 builds on the work of the Home for Generations program, but rather than it being a demonstration project, homeowners would have access to loan products and other assistance for a remodeling project. Staff would set guidelines for the type of project, noting it may include additional living space, major remodel project or other work. She noted other possible elements of the program could include rebates, subsidized or fees and architectural or landscape design assistance.

City Manager Steve Gatlin rejoined the meeting at 9:25 a.m. President Naeve introduced and welcomed Mr. Gatlin to the meeting.

Ms. Bennett stated the goal was not to get approval for the HFG2 program, but to get consensus to develop Coon Rapids Mortgage Assistance Foundation funding opportunities for the program.

MOTION BY VICE PRESIDENT STANTON, SECOND BY DIRECTOR SCHULTE, TO DIRECT STAFF TO PROCEED WITH THE DEVELOPMENT OF THE HOME FOR GENERATIONS 2 PROGRAM FUNDING IDEAS.

Ms. Bennett inquired as to whether the loan program should be specific to HFG2. President Naeve asked whether a product already in placed could be used. Director Schulte stated it should be product specific and different than what a bank would offer, for instance, a loan 1-2 percent below market. Consideration

needs to be given to the marketability of the product. Vice President Stanton stated the loan should not be forgiven but could be deferred for a period of three to four years. President Naeve stated she would favor grants for landscaping and architectural design over reducing city fees stating further that City fees should be equal for all residents. Ms. Bennett stated that the landscaping and architectural design will help improve curb appeal of a residence. Director Schulte stated that he agrees that fees should remain equal, but that he does hear from residents describing the hassle it is to obtain building permits and inspections. He would like to see the process streamlined for users of this program. He suggested providing a staff member as a single contact throughout the process to make it user friendly.

Due to Vice President Stanton's need to leave the meeting, President Naeve brought the discussion back to senior housing, which was briefly mentioned earlier in the meeting. The city is currently short on senior housing units. President Naeve asked whether this topic should be pursued. The general consensus was to pursue the topic. Ms. Bennett will meet with Vice President Stanton to gather more information. Ms. Bennett inquired as to which fund would be used for this program. President Naeve suggested Fund 82000 could be used initially then transition to 20000. President Naeve asked what GMHC has available. Ms. Bennett stated GMHC previously had a program assisting seniors with moving from their houses in which GMHC would buy it as-is, remodel the house and then resell it.

Vice President Stanton left the meeting at 9:39 a.m.

President Naeve moved the discussion on to the housing resource fair idea. Ms. Bennett stated this would be different than the home improvement show in that there would offer more one-on-one contact with professional design services. Director Schulte thought this was a great idea, and stated again that marketing would be a key component. Consensus was to move forward with this idea.

President Naeve next brought forward the green remodeling idea. Ms. Bennett stated that the City's Sustainability Commission is reaching out to learn what is currently offered throughout the city, including individual department services. Some ideas offered included providing technical support for remodeling, energy efficiency rebates or underwriting the cost of a home energy audit. Xcel currently provides approximately \$100 of material to homeowners during energy audits. Ms. Bennett provided a map of the electric utility service areas in Coon Rapids. Coon Rapids is served by Connexus, Xcel and City of Anoka Electric. She has met with the Center for Energy and Environment to consider their Community Energy Services Program in which they partner with Xcel Energy. CEE contacted Connexus who declined participation at this time and extending it to those customers would need to be underwritten by an approximate cost of \$70 -100 per household. Treasurer Haney did not support this idea. President Naeve inquired as to how this program might be different from other loan programs presently available from the Foundation or other sources if someone wanted to replace windows. Ms. Bennett stated there may not be a difference but a program to encourage energy efficiency could underwrite the loan to reduce the interest rate and provide an energy audit before the remodel and after to document energy savings. President Naeve stated this could be part of a current program and was not sure another program was needed. Marketing of the "green" program was discussed. It was suggested that specific marketing materials could be developed for specialized markets, using existing loan programs as the source of funding loans. Director Schulte stated the Sustainability Commission does not have funds available but they could oversee funds or help with marketing existing programs by adding a green element.

Discussion returned to down payment assistance. Director Schulte recommended status quo as the program seems to be successful. President Naeve and Board Members agreed.

President Naeve moved the discussion to a senior regenerations program. Director Schulte stated this is important to help seniors and believes a senior residential complex is necessary to make this program successful. Ms. Bennett inquired if Director Schulte saw this as an outreach program. Director Schulte stated the senior complex could be promoted along with a loan program. President Naeve asked whether the senior center has a program like this already and asked if it might be helpful to have a senior transition coordinator and wondered if the Foundation could assist with such a position. Director Schulte suggested consulting with the senior center to see if there is a need.

Discussion moved on to senior accessibility. It was decided such a program did not necessarily need to be limited to seniors but could provide for all accessibility needs. President Naeve asked if there was a current program available for this need. Ms. Bennett stated she was not aware of any existing programs but that current loan products could be used for such activity. Director Schulte stated he often sees postings asking for help and often it is a volunteer group that helps. Ms. Bennett inquired as to which fund would be used for this program. President Naeve requested Ms. Bennett research this item further and that the fund could be determined at a later time. It was noted that directed marketing of current loan programs toward seniors may be an option.

11. Set time and date for 2013 Annual Meeting.

President Naeve noted the Bylaws establish the first Thursday in December of each year and announced that the next annual meeting will be held December 5, 2013. President Naeve stated she anticipates having another Board meeting in April, prior to the next annual meeting.

12. Consider other business.

Ms. Bennett distributed copies of a Foreclosure Density Visualization Map which also included information on vacant properties. Director Schulte commented that there were 2,700 foreclosures in Coon Rapids since 2006, noting it is about 10 percent of the housing. Ms. Bennett noted there are other reasons properties may be vacant and that there are currently 450 vacant properties noting the great number of foreclosures having been returned to occupancy.

Ms. Bennett provided an update on the scattered site program. Funds have not been added to the program since 2007. Several properties acquired by the city have sold recently. She noted one held for a long period was one in which the fund paid back Block Grant funds. New housing units have been constructed or are under construction on many of the properties. The city retains ownership of two of the properties and is scheduled to close on another property later this month. President Naeve noted there used to be a design team that reviewed the building plans for these lots; it was noted by Ms. Bennett that there are design standards for reconstruction on the lots. Ms. Bennett also reported that the HRA has recently provided assistance for demolition work on properties owned by Habitat for Humanity. President Naeve asked if there is a list of candidate properties to be purchased. Ms. Bennett stated staff recently discussed the re-establishment of a staff level committee to discuss problem properties and that one of their roles might be to evaluate such action.

13. Adjourn.

**MOTION BY TREASURER HANEY, SECOND BY DIRECTOR SCHULTE, TO ADJOURN THE MEETING.**

President Naeve declared the meeting adjourned at 10:18 a.m.



**City Council Regular**

**2.**

**Meeting Date:** 12/18/2012

**Subject:** To consider Resolution 12-127 authorizing the Sale of Tax Forfeited property.

**From:** Ned Storla, City Assessor

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**INTRODUCTION**

The City Council is asked to authorize the sale of tax forfeited property.

**DISCUSSION**

The tax forfeit lot is situated along University Ave. (Parcel Id # 13-31-24-11-0002). See attached map. Community Development and Finance have discussed this matter and recommend that the vacant, but buildable property should be sold at auction to the highest bidder, assuming the County does need the property for the University Avenue street reconstruction project.

County staff and the County Commissioner will determine the opening price at a later date.

The proceeds from the sale will be reduced by the costs incurred by the County and the remaining proceeds will be distributed according to the State Statute. If the City receives any proceeds, it will first be applied to the outstanding special assessments.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the City's long term strategic vision. The proposed sale of tax forfeit land supports new construction of residential property thus promoting high quality of life in the neighborhoods.

**RECOMMENDATION**

Staff recommends adoption of Resolution 12-127 Authorizing the Sale of Tax Forfeit Properties.

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**Attachments**

Resolution Number 12-127

Map

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**RESOLUTION NO. 12-127**

**RESOLUTION AUTHORIZING THE SALE OF A TAX FORFEIT PROPERTY**

**WHEREAS**, the following described parcel of land (the "Property") is located in the City of Coon Rapids:

13-31-24-11-0002

THAT PRT OF NE1/4 OF NE1/4 OF SEC 13 TWP 31 RGE 24 DESC AS FOL: BEG AT A PT ON E LINE OF SD 1/4 1/4 430.55 FT S OF NE COR THEREOF, TH W AT RT ANG 250 FT, TH S AT RT ANG 175 FT, TH E AT RT ANG 250 FT TO SD E LINE, TH N ALG SD E LINE 175 FT TO POB, EX RD, SUBJ TO EASE OF REC

**WHEREAS**, the Property has been forfeited to the State of Minnesota for nonpayment of taxes, and

**WHEREAS**, Coon Rapids City Council finds that the Property would provide optimal use if it is sold at an auction to the highest bidder or used as part of a street reconstruction project.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Coon Rapids, Minnesota, that Anoka County is hereby authorized to sell the following described tax forfeit property or use the property as part of a street reconstruction project.

13-31-24-11-0002

THAT PRT OF NE1/4 OF NE1/4 OF SEC 13 TWP 31 RGE 24 DESC AS FOL: BEG AT A PT ON E LINE OF SD 1/4 1/4 430.55 FT S OF NE COR THEREOF, TH W AT RT ANG 250 FT, TH S AT RT ANG 175 FT, TH E AT RT ANG 250 FT TO SD E LINE, TH N ALG SD E LINE 175 FT TO POB, EX RD, SUBJ TO EASE OF REC

Adopted by the Coon Rapids, Minnesota City Council this 18th day of December, 2012.

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Tim Howe, Mayor

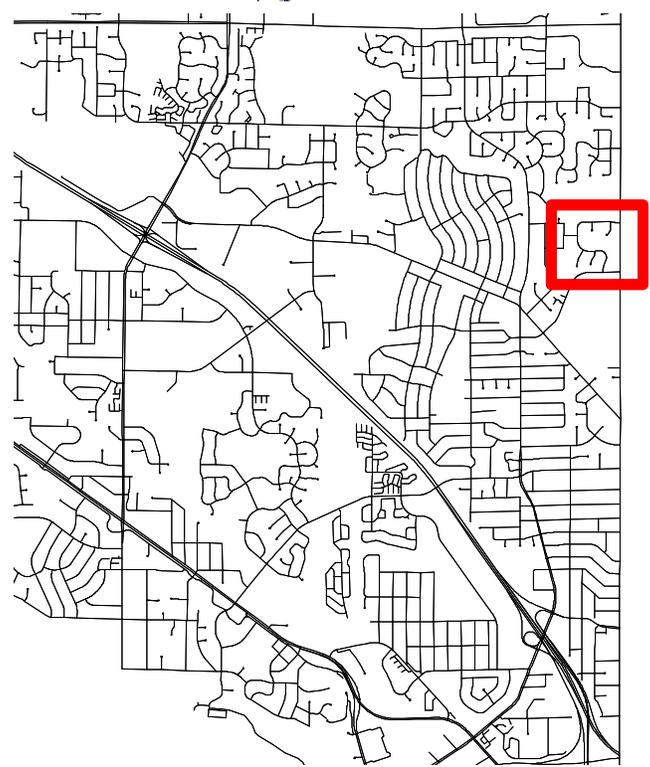
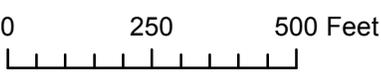
ATTEST:

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Cathy Sorenson, City Clerk



Tax Forfeiture Property  
PIN 13-31-21-11-0002





**City Council Regular**

**3.**

**Meeting Date:** 12/18/2012

**Subject:** Class A On-Sale, Sunday Liquor and Tavern License for Crazy Loon Saloon, 133 Coon Rapids Blvd

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**INTRODUCTION**

Corey McMahon, for CLS Enterprises LLC, has submitted an application for a Class A On-Sale and Sunday liquor license for Crazy Loon Saloon at 133 Coon Rapids Boulevard.

**DISCUSSION**

CLS Enterprises LLC has obtained the former Cityside Bar & Grill due to an agreement clause between Cityside Bar & Grill and Paddy Wagon's Irish Sports Pub. The tentative plan is to open the new establishment, Crazy Loon Saloon, as soon as the licensing process is complete.

The license and investigation fees have been paid. The Police Department has conducted a comprehensive background investigation on Corey McMahon and have found nothing to prevent licensing.

Certificate of Insurance evidencing liquor liability and workers' compensation coverage have been received. Approval of the license is conditioned upon a Certificate of Occupancy and the Anoka County Environmental Services issuing a food service license.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the 2030 Strategic Vision in the following way: by promoting businesses in the City.

**RECOMMENDATION**

Council is requested to approve the issuance of a Class A On-Sale and Sunday liquor license to CLS Enterprises LLC d.b.a. Crazy Loon Saloon, 133 Coon Rapids Blvd, effective as of December 20, 2012, contingent upon obtaining a Certificate of Occupancy and a County food service license.

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**City Council Regular**

**4.**

**Meeting Date:** 12/18/2012

**Subject:** Class A On-Sale and Sunday Liquor License for Osaka Steakhouse at 77 85th Avenue NW

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**INTRODUCTION**

DeJun Zheng, for Osaka Northtown Inc., has submitted an application for a Class A On-Sale and Sunday liquor license for Osaka Steakhouse at 77 85th Avenue NW.

**DISCUSSION**

Osaka Northtown, Inc. formerly Osaka Steakhouse, Inc. ownership has changed but not the location. The license had previously been in the manager's name but has left employment. DeJin Zheng is now the owner and formed Osaka Northtown, Inc. The schedule change in corporation name change is January 1, 2013. The business would still operate under the name of Osaka Steakhouse.

The license and investigation fees have been paid and Certificate of Insurance evidencing liquor liability and workers' compensation coverage has been received, however, the Police Department has conducted a comprehensive background investigation on DeJin Zheng and has found reason to recommend denial of licensing. This recommendation is based on the following information: a misdemeanor gambling offense in 2009; three pending gambling offenses from 2011 and 2012; pending felony check forgery in 2012; and falsely indicating that he had not been convicted of any crime or violations of any ordinance other than traffic. Minnesota Statutes 340A.402(3) Persons Eligible states that no retail license may be issued to a person not of good moral character and repute and City Code 5-214(2), Persons Ineligible for License, states that no on-sale or off-sale license may be issued to, or held by, any Person who does not meet all the requirements and qualifications for a license as established by state law or this Chapter. Based on this information, staff is recommending denial of the license.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Excellence in Government** section of the 2030 Strategic Vision in the following way: by ensuring licensing requirements are met within the City.

**RECOMMENDATION**

Staff is recommending Council deny issuance of a Class A On-Sale and Sunday liquor license to Osaka Northtown, Inc. d.b.a. Osaka Steakhouse, 77 85th Avenue NW, based on the reasons stated above.

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**City Council Regular**

**5.**

**Meeting Date:** 12/18/2012

**Subject:** 2013 Worker's Compensation Coverage

**From:** Sharon Legg, Finance Director

**INTRODUCTION**

The City of Coon Rapids has been carrying its worker’s compensation coverage through the League of Minnesota Cities Insurance Trust (LMCIT). The policy is now up for renewal.

**DISCUSSION**

The City has received a quotation for worker’s compensation coverage for the period January 1, 2013 through December 31, 2013. Worker’s compensation insurance covers City employees injured on the job, paying their lost time and medical bills.

The LMCIT offers a number of alternatives to the City for this coverage. The City could choose to buy the regular premium option at \$578,614 or one of three retro-rated plans. Since 1988, the City has chosen one of the retro-rated plans whereby the standard premium was discounted. Under this type of plan, claims paid on behalf of the City are added to the minimum premium up to a maximum. The City risks paying a higher premium in order to hopefully save premium dollars. There is very much incentive for the City to manage worker’s compensation claims.

The regular premium option is as follows:

	<b>Regular Premium Option</b>	
Standard Premium	Premium Discount	Net Deposit
\$654,382	\$75,768	\$578,614

For the upcoming policy year, the following three options of the retro-rated plan have been offered to the City:

<b>Retro-Rated Options</b>					
Option	Standard Premium	Minimum Factor	Minimum Premium	Maximum Factor	Maximum Premium
1)	\$ 654,382	.348	\$ 227,725	1.3	\$ 850,697
2)	\$ 654,382	.289	\$ 189,116	1.5	\$ 981,573
3)	\$ 654,382	.204	\$ 133,494	2.0	\$1,291,264

The recommendation for 2013 includes a potential savings of \$445,120 versus the potential additional costs of \$712,650 of opting for the .204 percent minimum factor, Option 3. A total savings of \$631,121 (9%) has been realized since 1988 through July 31, 2012. See the attachment for the savings by year. Beginning with 2004, the City has opted for retro-rated Option 3, after selecting Option 2 since 1999.

The experience modification factor for the City is 1.16 for the upcoming policy year, the same as the present year. This factor is an indication of what the City’s past experience has been. The lower the factor, the lower the City’s worker’s compensation premium. The experience modification factor is based on expected losses for the payrolls compared to actual claims paid over the three years prior to the current year (2009, 2010 and 2011). Unfortunately, due to a number of claims that the City incurred in primarily 2010, the factor is rather high and will again impact

the worker's compensation premium in 2014.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the Excellence in Government section of the 2030 Strategic Vision by covering employees in the event of work related injuries.

**RECOMMENDATION**

Staff recommends Option 3 of the retro-rated plans with the League of Minnesota Cities Insurance Trust be approved.

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**Attachments**

Retro Plan History

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City of Coon Rapids  
Retro Plan History  
As of 7/31/12 claims run

Option selected	Year	Minimum	Claims	Reduce to maximum	Total	Audited Std Prem	Savings or -Loss	Savings - Loss as a % of Audited Std Prem
Retro 1	1989 c	81,417	73,313		154,730	232,620	77,890	33%
Retro 1	1990 c	104,674	107,600		212,274	299,068	86,794	29%
Retro 1	1991 c	175,884	75,120		251,004	374,221	123,217	33%
Retro 1	1992 c	179,508	143,275		322,783	381,931	59,148	15%
Retro 1	1993 o	151,499	520,707	-200,807	471,399	322,338	-149,061	-46%
Retro 1	1994 c	149,767	62,320		212,087	336,911	124,824	37%
Retro 1	Dec-94 c	12,113	2,609		14,722	28,227	13,505	48%
Retro 1	1995 c	135,391	37,274		172,665	302,892	130,227	43%
Retro 1	1996 c	116,818	99,049		215,867	236,451	20,584	9%
Retro 1	1997 c	104,917	133,437		238,354	201,663	-36,691	-18%
Retro 1	1998 c	96,622	80,443		177,065	185,945	8,880	5%
Retro 2	1999 c	72,419	102,145		174,564	180,318	5,754	3%
Retro 2	2000 c	69,754	104,623		174,377	173,788	-589	0%
Retro 2	2001 c	71,063	76,368		147,431	176,996	29,565	17%
Retro 2	2002 c	81,250	92,445		173,695	202,546	28,851	14%
Retro 2	2003 o	107,676	778,086	-475,827	409,935	242,638	-167,297	-69%
Retro 3	2004 c	92,020	94,499		186,519	262,459	75,940	29%
Retro 3	2005 o	90,519	435,321		525,840	351,183	-174,657	-50%
Retro 3	2006 c	88,496	100,030		188,526	387,229	198,703	51%
Retro 3	2007 c	69,982	135,348		205,330	454,840	249,510	55%
Retro 3	2008 c	85,706	152,749		238,455	430,711	192,256	45%
Retro 3	2009 o	85,675	319,619		405,294	456,185	50,891	11%
Retro 3	2010 o	99,602	836,590	-38,876	897,316	398,143	-499,173	-125%
Retro 3	2011 o	107,731	138,705		246,436	428,486	182,050	42%
Total		2,430,503	4,701,675	-715,510	6,416,668	7,047,789	631,121	9%

o = open claims

c = all claims closed



**City Council Regular**

**6.**

**Meeting Date:** 12/18/2012

**Subject:** Council Meeting Schedule Changes

**From:** Cathy Sorensen, City Clerk

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**INTRODUCTION**

Council is asked to consider changes to the 2013 Regular City Council meeting calendar.

**DISCUSSION**

Section 2-401 of the City Code establishes the first and third Tuesday of each month for regular City Council meetings. That section also allows the Council, by resolution, to reschedule or cancel a meeting if necessary. After verifying that there are no time-sensitive agenda items, staff is suggesting canceling the January 15, 2013 Council meeting and holding an extended Council work session instead for goal-setting activities, work plan review, etc. Per Charter the first Council meeting of the year will be held on Monday, January 7, just the week prior, and any necessary items can be considered then.

In addition, Council is being asked to reschedule its August 6 Council meeting to August 7 in order to participate in the Night to Unite celebration. Council has previously determined that it is important for members of the public as well as members of the Council to be available to attend neighborhood meetings for the Night to Unite event held annually on the first Tuesday in August.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Excellence in Government** section of the 2030 Strategic Vision in the following way: by maintaining an efficient and flexible Council meeting schedule that meets the needs of the public.

**RECOMMENDATION**

- a. Cons. Resolution 12-137 Canceling the January 15, 2013, City Council Meeting.
- b. Cons. Resolution 12-138 Rescheduling the August 6, 2013, City Council Meeting to August 7, 2013.

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**Attachments**

2013 Council Calendar

Resolution

Resolution

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# 2013

JANUARY						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

FEBRUARY						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

MARCH			
Sun	Mon	Tue	Wed
3	4	5	6
10	11	12	13
17	18	19	20
24	25	26	27
31			

APRIL						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

MAY						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JUNE			
Sun	Mon	Tue	Wed
2	3	4	5
9	10	11	12
16	17	18	19
23	24	25	26
30			

JULY						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AUGUST						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SEPTEMBER			
Sun	Mon	Tue	Wed
1	2	3	4
8	9	10	11
15	16	17	18
22	23	24	25
29	30		

OCTOBER						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

NOVEMBER						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

DECEMBER			
Sun	Mon	Tue	Wed
1	2	3	4
8	9	10	11
15	16	17	18
22	23	24	25
29	30	31	

 Weekend/  
Holiday

 Planning  
Commission

 Council Meeting

 Board of Adjustment  
and Appeals

<b>H</b>		
Thu	Fri	Sat
	1	2
7	8	9
14	15	16
21	22	23
28	29	30

Thu	Fri	Sat
		1
6	7	8
13	14	15
20	21	22
27	28	29

<b>BER</b>		
Thu	Fri	Sat
5	6	7
12	13	14
19	20	21
26	27	28

<b>ER</b>		
Thu	Fri	Sat
5	6	7
12	13	14
19	20	21
26	27	28

12/12/12

**RESOLUTION NO. 12-137**

**A RESOLUTION CANCELING CITY COUNCIL MEETING  
OF JANUARY 15, 2013**

**WHEREAS**, Coon Rapids City Code Section 2-104 provides that regular City Council meetings be held on the first and third Tuesdays of each month; and

**WHEREAS**, City Code Section 2-104 also allows the rescheduling or cancellation of a meeting; and

**WHEREAS**, City Council has verified there are no time-sensitive agenda items set for the meeting on the third Tuesday, January 15, 2012; and

**WHEREAS**, the City Council finds that any business that would normally be conducted at the January 15, 2013 meeting can be conducted at the February 5, 2013 meeting; and

**WHEREAS**, City Council instead wishes to hold an extended work session for goal-setting activities and work plan activities with City staff; and

**WHEREAS**, City Code Section 2-401 authorizes the City Council, for good cause, to cancel a City Council meeting.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Coon Rapids, Minnesota, that the City Council meeting regularly scheduled for January 15, 2013 be and hereby is canceled.

Adopted this 18th day of December, 2012.

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Tim Howe, Mayor

ATTEST:

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Catherine M. Sorensen, City Clerk

**RESOLUTION NO. 12-138**

**A RESOLUTION RESCHEDULING THE AUGUST 6, 2013  
CITY COUNCIL MEETING TO AUGUST 7, 2013**

**WHEREAS**, revised City Code - 1982 Section 2-401 of the Coon Rapids City Code provides that regular meetings of the City Council are to be held on the first and third Tuesday of each month at 7:00 PM; and

**WHEREAS**, that same section of the City Code also provides that the City Council may by resolution change the date of a regular Council meeting; and

**WHEREAS**, the 2013 Night to Unite is scheduled for Tuesday, August 6, 2013, the first Tuesday in August; and

**WHEREAS**, the Night to Unite program encourages all citizens to attend neighborhood meetings to meet other residents of their neighborhood; and

**WHEREAS**, the City finds that holding a City Council meeting on the same evening as Night to Unite imposes a serious and unnecessary conflict for Councilmembers and other citizens of the community.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Coon Rapids, Minnesota, that the City Council meeting scheduled for Tuesday, August 6, 2013 be and hereby is cancelled and rescheduled for Wednesday, August 7, 2013, at 7:00 PM.

Adopted this 18th day of December, 2012.

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Tim Howe, Mayor

ATTEST:

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Catherine M. Sorensen, City Clerk



**City Council Regular**

**7.**

**Meeting Date:** 12/18/2012

**Subject:** Modification of TIF District 1-11

**From:** Sharon Legg, Finance Director

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**INTRODUCTION**

The City Council is requested to hold a public hearing regarding the adoption of modifications of the Housing and Redevelopment Plan for the Housing and Redevelopment Project No. 1.

**DISCUSSION**

On October 16, the Economic Development Authority authorized modification of the Housing and Redevelopment Plan for Housing and Redevelopment Project No. 1. At that time, the EDA requested and the City Council did call for a public hearing to be held.

Tax Increment Financing District 1-11 is a district that was established in 1987 and was modified in 2001. The District expires at the end of 2012. Therefore, the budget should be modified to reflect actual prior tax increment expenditures. Actual physical boundaries of the district are not being expended. Because this district was pooled with the other tax increment districts for Project Area No. 1, funds were available in other districts to transfer to this district where the expenditures were made. Pooling allows funds from one tax increment district to be used in the pooled area, however, budgets still need to be accounted for in the individual district. Since the budget is increasing, a public hearing is required. Additionally, the school and the county were also notified.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the 2030 Strategic Vision in the following way: by allowing tax increment funds to be used for redevelopment efforts in the City.

**RECOMMENDATION**

Staff recommends:

- a. Holding a public hearing.
- b. Adoption of Resolution 12-136 Amending Budget of Tax increment District 1-11.

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**Attachments**

ts 12-136

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**RESOLUTION NO. 12-136**

**RESOLUTION ADOPTING A MODIFICATION TO THE HOUSING AND REDEVELOPMENT PLAN FOR HOUSING AND REDEVELOPMENT PROJECT NO. 1, A MODIFICATION OF THE TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING DIST. 1-11**

**WHEREAS**, the Board of Commissioners of the Economic Development Authority (EDA) in and for the City of Coon Rapids has heretofore established Housing and Redevelopment Project Area No. 1 and adopted a Housing and Redevelopment Plan therefore. It has been proposed by the EDA to adopt a Modification to the Housing and Redevelopment Plan for the Project Area and Modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 1-11.

**WHEREAS**, the EDA and the City have investigated the facts relating to the Modification and Spending Plan and have caused the Modifications and Spending Plan to be prepared.

**WHEREAS**, the EDA and City have performed all actions required by law to be performed prior to the adoption and approval of the proposed Modifications and the Spending Plan, including, but not limited to, notification of Anoka County and Independent School District No. 11, having taxing jurisdiction over the property in the TIF District, approval of the Modifications and Spending Plan by the EDA on October 16, 2012, and the holding of a public hearing upon published notice as required by law.

**WHEREAS**, tax increment districts 1-11 expires at the end of 2012 and the City is not extending the duration of the TIF District; and

**WHEREAS**, the budgets were last modified in 2001; and

**NOW THEREFORE BE IT RESOLVED** by the City Council for the City of Coon Rapids finds that:

- a. the land within the Project Area would not be available for development or redevelopment without the financial aid to be sought under the Housing and Redevelopment Plan Modification;
- b. the Housing and Redevelopment Plan Modification will afford maximum opportunity consistent with the needs of the City as a whole for the development of the Project Area by private enterprise; and
- c. the Housing and Redevelopment Plan Modification conforms to the general plan for the development of the City as a whole.

These findings are based on the facts and conditions described in the Housing and Redevelopment Plan Modification which is incorporated herein by reference.

**BE IT FURTHER RESOLVED** that:

1. The Council hereby reaffirms the original findings for the TIF District namely that it was established as a redevelopment district.
2. The modifications to the TIF Plan is being completed to allow for the expenditure of tax increments from Tax Increment Financing District No.6 within the boundaries of Housing and Redevelopment Project Area No 1. The City is not modifying the boundaries or extending the term of the TIF District.
3. The modification to the TIF Plan conforms to the general plan for development or redevelopment of the City as a whole The fact supporting this finding is that the modification to the TIF Plan will generally complement and serve to implement policies adopted in the City's comprehensive plan.
4. The modification to the TIF Plan will afford maximum opportunity consistent with the sound needs of the City as a whole for the development or redevelopment of the Project Area by private enterprise. The facts supporting this finding are that the modifications to the TIF Plan will continue the redevelopment by private enterprise that has been stimulated under the original plan for the TIF Districts.

- The Council further finds the future redevelopment in the opinion of the City would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.

**BE IT FURTHER RESOLVED** that the adoption of the Modifications conform in all respects to the requirements of the Act and will help fulfill a need to redevelop an area of the State which is already built up, to provide employment opportunities, to provide housing opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose.

**BE IT FURTHER RESOLVED** that:

- The Modifications as presented to the Council on this date are hereby approved ratified adopted and shall be placed on file in the office of Executive Director of the EDA.
- The staff the City advisors and legal counsel are authorized and directed to proceed with the implementation of the Modifications and for this purpose to negotiate draft prepare and present to this Council for its consideration all further Modifications resolutions documents and contracts necessary for this purpose Approval of the Modifications does not constitute approval of any project or a Development Agreement with any developer.
- The Spending Plan for the TIF District is hereby approved.
- The City is hereby authorized to carry out the terms of the Spending Plan in accordance with Minnesota Statutes Section 469.176 Subd. 4m.
- The Executive Director of the EDA is authorized and directed to forward a copy of the Modifications to the Commissioner of the Minnesota Department of Revenue and the Office of the State Auditor pursuant to Minnesota Statutes Section 469.175 Subd. 4a.
- The Executive Director of the EDA is further authorized and directed to file a copy of the Modifications with Anoka County Auditor.

**BE IT FURTHER RESOLVED** by the City Council of Coon Rapids, Minnesota, amend the budgets as follows:

	<u>Budget</u>	<u>Amended</u>
Revenues:		
Tax increments	4,623,309	4,150,000
Investments earnings	360,353	570,000
Other	_____	<u>73,034</u>
Total Revenues	4,983,662	4,793,034
Transfer from other districts		<u>2,058,000</u>
Total Revenues & Transfers	<u>4,983,662</u>	<u>6,851,034</u>
Expenditures		
Land	3,118,715	3,000,356
Site improvements	702,178	1,387,178
Interest and fiscal charges	976,413	1,015,000
Administrative	78,924	435,000
Other	<u>12,198</u>	<u>1,013,500</u>
Total Expenditures	<u>4,888,428</u>	<u>6,851,034</u>

Adopted the 18<sup>th</sup> day of December, 2012.

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Tim Howe, Mayor

ATTEST:

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Cathy Sorensen, City Clerk



**City Council Regular**

**8.**

**Meeting Date:** 12/18/2012

**Subject:** Authorize Application for 2013 Community Development Block Grant Program

**Submitted For:** Cheryl Bennett, Housing and Zoning Coordinator

**From:** Cindy Hintze, Administrative Specialist

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**INTRODUCTION**

Staff requests the City Council authorize the Community Development Block Grant application for 2013 encompassing an 18-month program running from July 1, 2013, through December 31, 2014. Council is requested to conduct a public hearing on the proposed use of the funds for a Housing Rehabilitation Program. The 2013 CDBG project application must be placed on file with the Anoka County Community Development Department by January 14, 2013.

**DISCUSSION**

The City receives funds from the federal Community Development Block Grant (CDBG) program through a Joint Cooperation Agreement with the Anoka County Housing and Redevelopment Authority. The Agreement, in effect since program year 2001, provides for pass-through funding from the County to the City, removing the City from Anoka County's competitive application process for CDBG funds. The City receives an allocation in accordance with the funding guidelines established by the U.S. Department of Housing and Urban Development (HUD). The Anoka County Community Development Department requests the City complete the application process to provide program description and project documentation for HUD purposes.

Staff recommends the CDBG allocation continue to be designated for a Housing Rehabilitation Program reflecting previous Council direction to use block grant funds to assist our housing program efforts. Housing rehabilitation activities assisting low- and moderate-income persons is a Housing Goal of the Anoka County Consolidated Plan, a required component of the federal block grant program.

The amount of the CDBG award will be made according to HUD's allocation guidelines; however, because funding levels have not yet been established for program year 2013, last year's funding level has been used for planning purposes. Funding in 2012 provided \$197,122 for housing rehabilitation projects in Coon Rapids. This represented 70 percent of our allocation; the remaining 30 percent is set aside for County program administration costs (15 percent) and County-administered public service program funding (15 percent) as provided for in a Memorandum of Understanding that is part of the Joint Cooperation Agreement.

The City's Housing Rehabilitation Loan Program provides deferred, zero-interest loans to low- and moderate-income residents; 50 percent of the loan is forgiven after five years. The loan funds assist homeowners with maintaining minimum housing standards and energy-related improvements in single- and two-family dwellings, including interior improvements on townhouse and other common interest community properties. Funds can also be used on exterior rehab work on a dwelling unit within a common interest community property when the homeowner, and not the association, is responsible for the work. A one-year tenancy requirement of the program is waived for the rehabilitation of foreclosed properties. This allows residents of low- or moderate-income who have purchased a foreclosed property to begin the rehabilitation process immediately upon purchase.

It is anticipated that the proposed project funding will provide assistance for eight to twelve homeowners. The maximum rehab loan amount is \$20,000, however, additional funds of not more than \$4,999 per project may be provided to homeowners for lead-based paint abatement projects or other rehabilitation needs. Funds used for assessment work to identify lead-based paint issues are granted to the homeowner and do not become part of the loan amount.

The application process requires the City Council hold a public hearing to take comments on the proposal. Council is also requested to authorize the application for Community Development Block Grant funds for program year 2013 and to authorize the Mayor and City Manager to execute all necessary documents with Anoka County to implement the 2013 CDBG program.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the Community Development/Redevelopment and Housing sections of the City's long term strategic vision in the following ways: Home improvement and home energy loans enable property rehabilitation that is diversified and sustainable and that supports a high quality of life in neighborhoods.

**RECOMMENDATION**

Staff recommends the City Council:

- a. Hold a public hearing and take public comment on the application for Community Development Block Grant funds for program year 2013;
- b. Authorize the application for Community Development Block Grant funds for program year 2013 for a Housing Rehabilitation Program;
- c. Authorize the Mayor and City Manager to execute a CDBG Agreement, together with any other necessary documents, with Anoka County regarding the implementation of the 2013 CDBG program.

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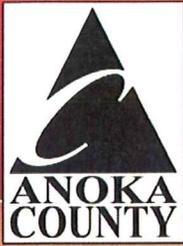
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**Attachments**

2013 CDBG Program Application

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# Community Development Block Grant

## 2013 Project and Planning Application

An Application Guide is available with directions on completing the application, submission details, and contact information for questions.

### General Information

**Project Title:** Coon Rapids Housing Rehabilitation

**Applicant:** City of Coon Rapids, MN

**Type of Organization**

- Local Government
- Non-Profit Organization
- For-Profit Organization

- Faith-Based Organization
- Institution of Higher Education
- Anoka County Department:  
\_\_\_\_\_

**Contact Person:** Cheryl Bennett

**Title:** Housing and Zoning Coordinator

**Address:** 11155 Robinson Dr NW

**City:** Coon Rapids      **State:** MN      **Zip:** 55433

**Phone:** 763-767-6422      **Fax:** 763-767-6573

**Email\*** cbennett@coonrapidsmn.gov

\*Meeting notices will be sent by email only.

### Project Information

**Project Address:** City Wide

**Project Service Area:** City of Coon Rapids

**This project will be completed in:**  6 months     12 months     18 months

**Project Activity**      (Select the HUD activity listed in the Application Guide that best fits this project; example: 030 Fire Station)

## Funding Request

Amount (\$) of CDBG Request	0.00 <i>TBD</i>
Amount (\$) of Agency's Resources	0.00
Amount (\$) from other loan/grant Sources	0.00
<b>Total Program Costs (\$)</b>	0.00 <i>TBD</i>

Does the total project cost account for federal prevailing wages if applicable? (Reference the Application Guide for information on federal wages)

Yes  No

Is there a fiscal financial agent other than the applicant?  No  Yes: who

Will CDBG funding be used to leverage additional funding?  Yes  No

Can this project be partially funded?

Yes  No

If application is requesting funds for multiple items, prioritize items and amounts needed:

Priority 1:

Priority 2:

Priority 3:

## Budget Narrative

Consult the Application Guide for requirements on this section. **The budget proposal is in an Excel document available on our Web site; a hard copy of the budget in that form must be submitted with this proposal.**

The City of Coon Rapids will hire a program administrator. In our current program year, we have contracted with the Greater Metropolitan Housing Corporation to perform these services for 15 percent of the rehabilitation program budget. The remaining funds are dedicated to rehabilitation costs. The City provides program administration at no additional cost to the program.

# Budget Worksheet

Identify the federal, state and local leveraging resources used for this program. This information is provided directly to HUD.

Use of Funds	Source of Funds (Please list amount and source specifically)							Total
	Requested CDBG Funds	Applicant Funds	Other Federal Funds*	State of MN Funds	City Funds	Non-CDBG Anoka County Funds**	Private Funds	
Coon Rapids Housing Rehab								City of Coon Rapids, MN
								Cheryl Bennett
								Housing and Zoning Coordinat
								11155 Robinson Dr NW
								Coon Rapids
								MN
								55433
								763-767-6422
								763-767-6573
								cbennett@coonrapidsmn.gov
								City Wide
								City of Coon Rapids
<b>Total</b>	0.00	0.00	0.00	0.00				

*TBD*

\*List below source of any "Other Federal Funds"

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\*\*List other sources of Anoka County funding received, such as department, etc.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## Project Narrative

### Program Description

Reference the Application Guide for required information for this section

Deferred financing for single-family housing rehabilitation activity benefitting low- and moderate-income persons. Single-family units include detached dwelling units and individual dwelling units in common interest communities.

**Describe the need and urgency for the proposed project. Include the consequences if the project is not funded.**

Coon Rapids has a long-standing program of assisting homeowners with financing for housing rehabilitation needs. Without this assistance, some homeowners may not be able to make needed repairs that help provide safe, decent housing.

**Describe the organization's fiscal management including financial reporting and recording keeping.**

Fiscal agent for a local unit of government.

## Public Infrastructure

Does this project involve infrastructure?  Yes  No

If the project application is requesting assistance for water/sewer improvements, street improvements, or other infrastructure, answer the following questions:

1. Identify the urgency of the improvement.
2. Is the improvement included in the city/town improvement plan?
3. What circumstances led to the need for federal assistance?

## Slum/Blight Removal (National Objective)

Does this project meet the Slum/Blight Removal national objective?  Yes  No

If this project is for slum/blight removal, verification must be made in order to assure that a CDBG-funded activity meets the national objective regarding slums and blight. Verification for this project falls within one of the following categories:

- Elimination of Slums and Blight **Area Basis** (SBA)
- Elimination of Slums and Blight **Spot Basis** (SBS)

Describe/identify the site location or boundaries. Include map attachment.

Indicate the percent of building or public improvements that were deteriorated when the project was designated as slum/blight, and the year of designation:

\_\_\_\_\_ % designated in \_\_\_\_\_ (year)

Public Improvement/Type of Condition:

Describe the conditions that qualify the project as slum or blight.

## Benefit to Low and Moderate Income People (National Objective)

Does this project meet the Benefit to Low and Moderate Income People national objective?

Yes  No

Identify how the project will meet the Low/Moderate Income national objective. *Carefully review the following activity definitions in the Application Guide before selecting an option.*

- Low/Moderate Income Employment (LME)
- Low/Moderate Income Clientele (LMC)
- Low/Moderate Income Area Benefit (LMA) - *Required: project/service area map*
- Low/Moderate Income Housing (LMH)
  - Single-family housing
  - Multi-family housing

## Housing Activities

Is this project for a housing activity?  Yes  No

\*All housing activities will be considered for HOME funds before the use of CDBG

Type of Housing:  Single-family  Townhome  
 2-, 3-, or 4-plex  Single-Room Occupancy  
 Multi-family  Other:

Tenancy:  Owner-occupied  
 Renter-occupied

Income Level of Clients  0-30% Area Median Income  31-50% Area Median Income  
 51-80% Area Median Income  Above 80% Area Median Income

Benefit to Homeless  Not applicable  
 Homeless individuals  
 Homeless families

Non-Homeless Special Need Population Served:

- Elderly (62 years +)
- Developmentally disabled
- Severe mental illness
- HIV/AIDS
- Alcohol/drug abuse
- Physical disability
- Victims of domestic violence

Total Number of Units Overall in Project      Number Occupied: 8-12  
Number Vacant: n/a

## Acquisition, Rehabilitation, Demolition, Clearance, and Conversion

- Type of project**
- Single- or Multi-Family Housing
  - Farm land and structures
  - Vacant land; free from any structures
  - Business, commercial, or industrial

**Site Control** Indicate the status of the project site and attach documentation:

- Applicant owns property: Date acquired
- Lease: Expiration date
- Option to purchase: Expiration date
- Other: Describe

**Zoning** Is the site zoned for the proposed activity?  Yes  No  
If no, provide an explanation and timetable to change zoning or obtain variance:

**Appraisal** If request is for property acquisition, has an appraisal been completed within the last 12 months?  
 Yes; copy of appraisal attached.  
 No; if appraised value not known, what is the fair market value determination?

**Relocation** Does the project require relocation (moving) of occupants of a structure?  
 Temporary  
 Permanent  
 No relocation necessary

### General Information Notice

Has a General Information Notice to sellers and/or tenants of Relocation or No Relocation benefits been completed?

- Yes; provided to occupants on MM/dd/yyyy  No; will be completed on MM/dd/yyyy

## Environmental Considerations

**Is the project currently underway?**

- Yes; and a federally-accepted environmental review has been completed.
- Yes; but there has not been an environmental review.
- No; project will not begin before an environmental review is completed by Anoka County.

### Noise Abatement and Control

Distance from nearest railroad:  More, or  Less than 3,000 feet

Distance from nearest major roadway:  More, or  Less than 1,000 feet

Distance from nearest municipal or military airport:  More, or  Less than 5 miles

### Wetland Protection

Is there a wetland associated with the proposed project?  Yes  No

### Flood Hazard Area

Is there evidence or knowledge that a portion of the proposed project is located in a 100- or 500-year flood plain?  Yes  No

### Other Does the project:

- Include repair, rehabilitation, or conversion of existing building/facilities?  
 Yes  No
- Involve new construction, acquisition of undeveloped land or any construction that requires ground disturbance?  
 Yes  No

## Conflict of Interest

As an applicant requesting funding, will any of your employees, agents, consultants, officers, or elected officials meet any of the following conflicts of interest:

- Yes  No Participate in the decision making process for the approval of this application? (i.e., an Anoka County Commissioner or HRA Trustee)
- Yes  No Have a financial interest or reap a financial benefit from this activity?
- Yes  No Have an interest in any contract, subcontract, or agreement with respect to this application either for themselves or those with whom they have family or business ties during the program year and for one year thereafter?

If "Yes" to any of the above, please identify the situation:

## Project Beneficiaries

Select ONE type of beneficiaries this project will address and the number of expected accomplishments.

- Area or Spot designation
- Households - Enter # households *8-12*
- People - Enter # unduplicated people
- Businesses - Enter # businesses
- Housing Units - Enter # units
- Jobs - Enter # jobs
- Public Facilities - Enter # facilities
- Demolition/clearance - Enter # units

Planning: Outline the community benefit in a brief narrative.

## Use of Contractors, Consultants

In accordance with federal regulations, CDBG funds may not be used to directly or indirectly employ, award contracts to, or otherwise engage the services of any contractor or Subrecipient during any period of debarment, suspension, or placement of ineligibility status.

Will you hire a contractor or consultant?  Yes  No

If yes, complete the following information:

1. Name of consultant/firm and owner:  
licensed contractors
2. How were they selected?  
competitive bid
3. Is the consultant/firm already under contract with your organization?  
 Yes  No
4. Is this consultant/firm a women or minority owned business?  
 Yes  No

If you are unable to complete this section at the time of application, all contracts must be reviewed for debarment before a CDBG release of funds, contact Anoka County with updated information.

## Section 3 Requirements

Attach the following documents:

- Acknowledgement of receipt of Anoka County Section Plan 2010 (available at [http://ww2.anokacounty.us/v3\\_cd/doing-business/Section3.aspx](http://ww2.anokacounty.us/v3_cd/doing-business/Section3.aspx) - download and read the Section 3 Plan, acknowledgement is last page of Plan)
- Section 3 Action Plan (available at [http://ww2.anokacounty.us/v3\\_cd/doing-business/Section3Forms.aspx](http://ww2.anokacounty.us/v3_cd/doing-business/Section3Forms.aspx) )

## Required Documentation

The following documents are **required to be attached, if applicable, with the application submission.**

- Resolution of governing body requesting funds or board minutes approving submission of application
- Supporting documentation such as, survey, Phase I/II Environmental, census data, etc
- If Nonprofit - State and Federal Tax Exemption Determination letter - 501(c)(3)
- List of Board of Directors/Council or Trustees for Nonprofit applications
- Project Timeline or schedule
- Building/area information and photographs
- Appraisals
- Phase Level Environmental Report

- Map or sketch of project area
- Professional certification, analysis of feasibility and/or cost estimate
- Letters of support/Project commitment letters
- Acknowledgement of receipt of Anoka County Section Plan 2010
- Section 3 Action Plan
- Budget proposal – using the Excel document provided on the Web site

**A copy of the applicant’s Audit, Management & Compliance Report and Certificate of Liability insurance will be required before the Subrecipient Agreement can be completed.**

## Certification

I hereby acknowledge that by applying for CDBG funds, this activity may require compliance in the following areas:

- Utilization of minority and women contractors
- Labor Standards provisions (Davis-Bacon Act)
- Uniform Relocation Act and Section 104(d)
- Section 3
- Environmental Regulations
- Flood Insurance
- Lead-Based Paint Assessment and/or Remediation or Abatement
- Debarred, suspended and ineligible contractors and subrecipients
- Handicapped accessibility
- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1969 - Fair Housing Act

DUNS #: 071769129

**If not disclosed on this application the DUNS number will be required upon the finalization of the Subrecipient Agreement.**

I certify that the information contained in this application is true and correct and that it contains no misrepresentations, falsifications, intentional omissions, or concealment of material facts and that the information given is true and complete to the best of my knowledge and belief. I further certify that no contracts have been awarded, funds committed or construction begun on the proposed program, and that none will be prior to issuance of a Release of Funds by the program Administrator.

\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Print name of Authorized Official

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## Section 3 Acknowledgement

By signing below, you are acknowledging that you have read the Anoka County Section 3 Plan, 2010, and understand the requirements of Section 3 as it applies to your agency and that your agency will comply with all Section 3 requirements and submit necessary documentation to Anoka County.

Any failure to comply with Section 3 regulations may result in revocation of funds from Anoka County and may jeopardize future funding opportunities from Anoka County.

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Signature of Authorized Official

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Name of Authorized Official

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Title

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Date



**City Council Regular**

**9.**

**Meeting Date:** 12/18/2012

**Subject:** PC 12-27 Tim Tronson Consideration of an Ordinance rezoning property at 1354 121st Ave. from Low Density Residential 2 to Moderate Density Residential

**From:** Scott Harlicker, Planner

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**INTRODUCTION**

The applicant is requesting the adoption of an ordinance rezoning certain property from Low Density Residential 2 to Moderate Density Residential. The applicant has also submitted a request for a corresponding change to the Comprehensive Land Use Plan from Low Density Residential to Moderate Density Residential.

**DISCUSSION**

**Background**

The applicant is requesting a zone change from Low Density Residential 2 (LDR2) to Moderate Density Residential (MDR). The property is five acres in size and contains a single family home and several outbuildings. It is estimated that approximately 1.5 acres is within the 100 year flood plain according to FEMA flood maps. The area within the flood plain is the southeastern portion of the lot, adjacent to the ditch. Areas within a floodplain are difficult to development because any floodplain filled has to be replaced within the same drainage basin. A more accurate delineation of the floodplain will be required with future development plans

**Analysis**

When considering a request to rezone property, the Council should evaluate if there was some mistake in the original zoning, or if the character of the neighborhood has changed so that a reasonable use of the property can not be made under the current zoning classification.

**Mistake in the Original Zoning**

The property has been zoned single family residential since 1976. There has been no change in the zoning since that time. Staff does not believe that there is evidence to support the case that there was a mistake in the original zoning.

**Reasonable Use of the Property**

The surrounding properties have been developed with a mix of moderate density townhomes and single family residences. This remaining parcel is a triangular shape that does not lend itself to being developed efficiently into single family lots. The flexibility of design available with a townhouse development would allow full development of the site that also allows for a buffer with the adjacent single family homes. 121st Avenue is designated a collector street and could accommodate the traffic generated by a townhome development on this site.

The Council should also give consideration to the evaluation criteria found in Section 11- 307 when making their decision on rezoning requests.

Section 11-307 Criteria	Comments
Effect of public health, safety, order, convenience, and general welfare in the area.	<b>OK</b> - The proposed zoning will not adversely impact the area. The property is adjacent to townhouse developments and single family homes.
Effect on present and potential surrounding land uses.	<b>OK</b> – The proposed zoning will not adversely impact the surrounding residential land uses. Future moderate density residential development would serve as an extension of the adjacent townhouse developments.
Conformance with the Comprehensive Land Use Plan.	<b>OK</b> – Assuming the proposed land use amendment is approved, the proposed zone change will be consistent with the City’s Comprehensive Land Use Plan. The proposed land use designation is Moderate Density Residential.
Conformance with any applicable development district.	<b>OK</b> – There is no applicable district plan in this area.

**City Council Meeting**

At the City Council meeting held on December 4th the Council introduced the attached ordinance. The Council did not have any questions or comments regarding the application.

**Planning Commission Meeting**

At the Planning Commission meeting held on November 15th, six residents spoke at the public hearing. The residents' concerns included the following:

- potential impact on their property values
- the City does not anymore townhouses
- removal of the trees would increase the noise they experience
- make sure that any grading would not impact their property
- potential impacts on wildlife
- loss of open space

Staff also answered questions regarding the site plan review process, who was requesting the zone change, was the City involved with the sale of the property and the environmental review process.

The Commission believed that the rezoning to Moderate Density Residential is reasonable and would be compatible with the adjacent single family homes. The Commission voted 7:0 to recommend approval of the rezoning.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Housing/Neighborhoods**, section of the 2030 Strategic Vision in the following way: The proposed rezoning will create an opportunity for additional housing options.

**RECOMMENDATION**

In Planning Case 12-27, the City Council **adopt** the attached ordinance **approving** the proposed rezoning based on the following findings:

1. The proposed zone change would be consistent with the Comprehensive Land Use Plan.
2. The proposed zone change is compatible with the surrounding zoning districts and land uses.
3. The proposed zone change would not have an adverse impact on the area.

4. The times and conditions have change and the character of the neighborhood has changed so that a reasonable use of the property can not be made under the current zoning.

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**Attachments**

Location Map

Zoning map

Land Use Map

Floodplain Map

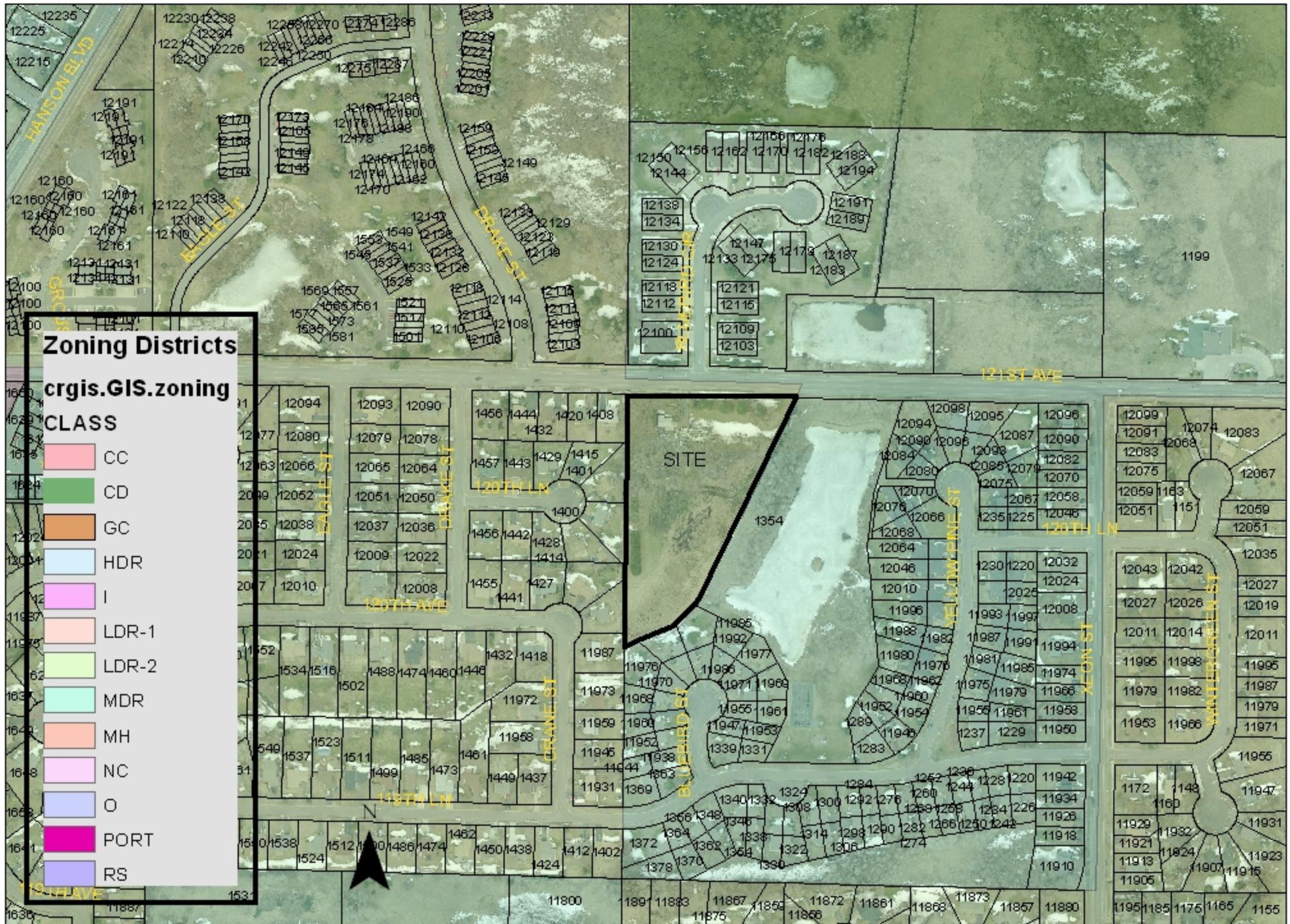
ordinance

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# LOCATION MAP



# Zoning Map



# Land Use Map



# Map Showing 100 Year Floodplain



**ORDINANCE NO.**

**AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF  
THE CITY OF COON RAPIDS SO AS TO PROVIDE CHANGES  
IN THE ZONING CLASSIFICATION (PC 12-27)**

**The City of Coon Rapids does ordain:**

Section 1. The official zoning map of the City of Coon Rapids is hereby amended to change the classification of the following described property from Low Density Residential to Moderate Density Residential:

That part of the Northeast Quarter of the Southwest Quarter of Section 11, Township 31, Range 24, Anoka County, Minnesota, described as follows: Commencing at the Northwest corner of said Northeast Quarter of the Southwest Quarter, thence South 0 degrees 42 minutes 57 seconds East along the West line of said Northeast Quarter of the Southwest Quarter a distance of 725.51 feet to its intersection with the center line of a private ditch, thence North 67 degrees 41 minutes 16 seconds East along said centerline a distance of 128.86 feet, thence North 46 degrees 39 minutes 35 seconds East along said centerline a distance of 95.09 feet, thence North 24 degrees 48 minutes 25 seconds East along said centerline a distance of 673.41 feet to its intersection with the North line of said Northeast Quarter of the Southwest Quarter, thence due West along said North line a distance of 479.96 feet to the point of commencement.

Introduced the 4th day of December, 2012.

Adopted on the \_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Tim Howe, Mayor

**ATTEST:**

\_\_\_\_\_  
Catherine M. Sorensen, City Clerk



**City Council Regular**

**10.**

**Meeting Date:** 12/18/2012

**Subject:** PC 12-2 Tim Tronson, 1354 121st Ave. Comprehensive Land Use Plan amendment from Low Density Residential to Moderate Density Residential

**From:** Scott Harlicker, Planner

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**INTRODUCTION**

The applicant is requesting approval on an amendment to the City's Comprehensive Land Use Plan to change the land use designation from Low Density Residential to Moderate Density Residential.

**DISCUSSION**

**Background**

The applicant is requesting a change in the land use designation from *Low Density Residential* to *Moderate Density Residential*. The property fronts on 121st Avenue, is five acres in size and contains a house and several outbuildings. There is a drainage ditch that borders the east property line. Approximately 1.5 acres is within the 100 year floodplain according to FEMA flood maps. The area within the floodplain is located in the southeastern portion of the site, adjacent to the ditch. Areas within a floodplain are difficult to develop because any floodplain filled has to be replaced within the same drainage basin.

**Analysis**

The description of the *Low Density Residential* land use designation is mostly single family homes with some two family homes and open space within the development at a gross density of 2 to 4 units per acre. The description of the *Moderate Density Residential* designation is generally detached housing including two family homes and townhomes at a gross density of 4 to 7 units per acre.

When considering this change in land use request, the following three factors should be taken into account:

- The subject property fronts a collector street.
- It abuts townhome developments on three sides.
- It is adjacent to single family homes on one side.

The proposed amendment supports the City's Comprehensive Land Use Plan in that it is consistent with the goal of maintaining complete and balanced neighborhoods that include a variety of housing resources, and is consistent with the policy of preserving the integrity of single family neighborhoods by locating higher density residential housing at the fringes of single family neighborhoods and along transit corridors.

A land use designation of *Moderate Density Residential* would be consistent with the adjacent townhome developments and would be compatible with the adjacent single homes to the west. Any additional traffic generated by the development of this site as townhomes could be accommodated by 121st Avenue. No traffic generated by the development of this parcel would have to go through the single family neighborhood to access the site.

This proposed land use amendment would increase the amount of land that is guided *Moderate Density Residential* by five acres, from 986 acres to 991 acres. The proposed amendment would not have a significant impact on the amount of land that is currently designated *Low Density Residential*. It would decrease the amount of land that is currently guided *Low Density Residential* from 6,809 to 6,804 acres

### **Planning Commission Meeting**

At the Planning Commission meeting held on November 15th, six residents spoke at the public hearing. The residents' concerns included the following:

- potential impact on their property values
- the City does not anymore townhouses
- removal of the trees would increase the noise they experience
- make sure that any grading would not impact their property
- potential impacts on wildlife
- loss of open space

Staff also answered questions regarding the site plan review process, who was requesting the land use change, was the City involved with the sale of the property and the environmental review process.

The Commission believed that the land use change to Moderate Density Residential is reasonable and would be compatible with the adjacent single family homes. The Commission voted 7:0 to recommend approval of the Comprehensive Land Use Plan amendment.

### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Housing/Neighborhoods**, section of the 2030 Strategic Vision in the following way: The proposed rezoning will create an opportunity for additional housing options.

### **RECOMMENDATION**

In Planning Case 12-26, **adopt** the attached resolution **approving** the proposed amendment to the Comprehensive Land Use Plan based on the following findings:

1. The proposed land use amendment is consistent with the adjacent the townhomes.
2. The proposed amendment would be compatible with the single family homes to the west.
3. The parcel fronts on a collector street that is designed to accommodate any additional traffic generated by a townhome development on this site.

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### **Attachments**

Location Map

Land Use Map

Zoning Map

Floodplain Map

Resolution

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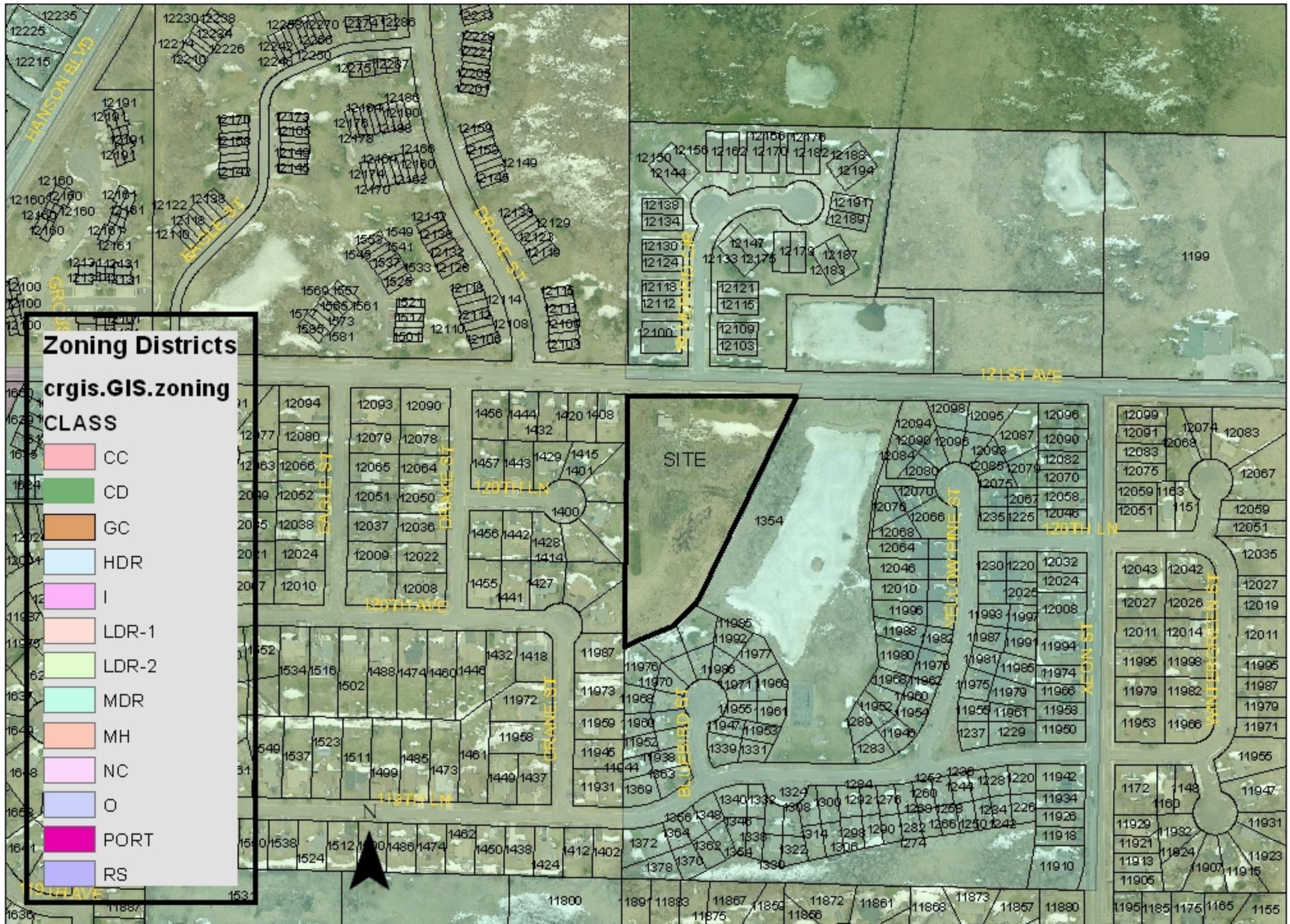
# LOCATION MAP



# Land Use Map



# Zoning Map



# Map Showing 100 Year Floodplain



**RESOLUTION NO. 12-131**

**A RESOLUTION AMENDING THE COMPREHENSIVE  
PLAN FOR THE CITY OF COON RAPIDS (PC 12-26)**

**WHEREAS**, the Comprehensive Plan adopted by the City Council for the City of Coon Rapids on March 18, 2008, designated a Low Density Residential use for property described as follows:

That part of the Northeast Quarter of the Southwest Quarter of Section 11, Township 31, Range 24, Anoka County, Minnesota, described as follows: Commencing at the Northwest corner of said Northeast Quarter of the Southwest Quarter, thence South 0 degrees 42 minutes 57 seconds East along the West line of said Northeast Quarter of the Southwest Quarter a distance of 725.51 feet to its intersection with the center line of a private ditch, thence North 67 degrees 41 minutes 16 seconds East along said centerline a distance of 128.86 feet, thence North 46 degrees 39 minutes 35 seconds East along said centerline a distance of 95.09 feet, thence North 24 degrees 48 minutes 25 seconds East along said centerline a distance of 673.41 feet to its intersection with the North line of said Northeast Quarter of the Southwest Quarter, thence due West along said North line a distance of 479.96 feet to the point of commencement.

**WHEREAS**, after consideration by the Planning Commission of appropriate use for this area, the Commission has recommended that the property previously designated as Low Density Residential use be designated as Moderate Density Residential; and

**WHEREAS**, the City Council, after due deliberation and consideration of the recommendations of the Planning Commission, concurs with said recommendations.

**NOW, THEREFORE, BE IT RESOLVED** by the Coon Rapids City Council that the Comprehensive Plan as amended be further amended to provide that the property hereinafter described be designated as Moderate Density Residential, to-wit:

That part of the Northeast Quarter of the Southwest Quarter of Section 11, Township 31, Range 24, Anoka County, Minnesota, described as follows: Commencing at the Northwest corner of said Northeast Quarter of the Southwest Quarter, thence South 0 degrees 42 minutes 57 seconds East along the West line of said Northeast Quarter of the Southwest Quarter a distance of 725.51 feet to its intersection with the center line of a private ditch, thence North 67 degrees 41 minutes 16 seconds East along said centerline a distance of 128.86 feet, thence North 46 degrees 39 minutes 35 seconds East along said centerline a distance of 95.09 feet, thence North 24 degrees 48 minutes 25 seconds East along said centerline a distance of 673.41 feet to its intersection with the North line of said Northeast Quarter of the Southwest Quarter, thence due West along said North line a distance of 479.96 feet to the point of commencement.

Adopted by the Coon Rapids City Council this 18thday of December, 2012.

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Tim Howe, Mayor

ATTEST:

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Catherine M. Sorensen, City Clerk



**City Council Regular**

**11.**

**Meeting Date:** 12/18/2012

**Subject:** Consider Adoption of an Ordinance Regulating Overnight Parking in Commercial and Office Districts

**Submitted For:** Marc Nevinski, Community Development Director

**From:** Cathy Sorensen, City Clerk

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**INTRODUCTION**

Council is asked to adopt an ordinance to regulate the overnight parking and storage of RVs, trucks, semi-tractors, and trailers, in the Commercial and Office Districts.

**DISCUSSION**

For the past several years, the City has been experiencing an increasing amount of semi-truck parking in the public areas of its commercially zoned retail and business districts. Both Council and citizens have expressed concern over this activity, particularly when multiple trucks are parked overnight or for days at a time. Such parking creates aesthetic and public safety concerns. Despite trying to work with property owners to address this concern, the problem persists.

Zoning code prohibits parking of semi trucks in undesignated areas. However, it is difficult to enforce this provision of the code for a number of reasons, which include, among others: The non-business hours or days the violations tend to occur makes it impractical for code enforcement staff to address, the sporadic occurrence and vehicular nature of the violations makes enforcing a land use code difficult, and the land use code does not fit well with the ticketing procedures used by police or community service officers. Furthermore, property owners have expressed a concern that they will be cited for an activity over which they have little control. Similarly, it is difficult to cite a property owner and require compliance for a violation which is self corrected once a truck leaves the property.

For these reasons, staff concluded it is necessary to develop a new ordinance prohibiting the activity and enforced primarily through the traffic and transportation section of the City code. Community Development staff, Police, and the City Attorney's office have developed the attached ordinance clearly authorizing the ticketing of such vehicles by the police department. The offense is a misdemeanor and would require a court appearance to set a fine amount.

The ordinance also allows for the property owner to be prosecuted or cited if they are 1) given notice that a vehicle had been ticketed on their property for parking outside of designated zones, and 2) a subsequent violation occurs within an established period of notice. In other words, the ordinance directs the citation of the driver or vehicle first, but allows for the property owner to be cited or prosecuted, if necessary. Staff anticipates that such an action would occur only if a property owner failed to take adequate or effective action following notice.

Council considered adoption of this ordinance on November 7, 2012. At that time, Council discussed several components of the ordinance, including the prohibition of RVs and the standards considered if property owners were to be cited. Council decided to postpone action on the ordinance and directed the following modifications:

1. Property owners cannot be cited administratively unless a third ticket has been issued to a vehicle. (Modified

from a second ticket.)

2. Notice of two prior tickets issued to vehicles on the property must be given to the owner. (Modified from one ticket.)

3. The "look-back window" for citing a property owner is reduced from twelve months to six months.

Also, per Council request, staff has developed the following administrative guidelines for enforcement of the ordinance:

**A. Property Owner Action Steps**

Property Owners may be cited if they fail to take necessary and appropriate action to ensure compliance with City Code 9-204 and 9-205. Such actions include, among others:

1. The placement and maintenance of signs informing the public of the requirements of the ordinance
2. The active monitoring, patrolling and enforcement of the ordinance by the owner
3. Formal requests indicated by the owner to the police department to cite offending drivers
3. The preparation and application of a formal, written action plan to address comply with the ordinance

**B. Citation Considerations to Property Owner**

Prior to the issuance of a citation to a property owner, staff will consider the following:

1. The steps taken by the owner to remedy the problem (see above)
2. The number of prior citations issued to the owner
3. The number and frequency of vehicles cited on the property
4. The general and documented trends regarding overnight parking on the property

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Quality of Life and Public Safety** section of the 2030 Strategic Vision by address aesthetic and safety concerns in the City's commercial and office districts.

**RECOMMENDATION**

Staff recommends Council adopt the proposed ordinance regulating the overnight parking and storage of trucks, RVs, semi-tractors, and trailers, in the Commercial and Office Districts.

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**Attachments**

Ordinance

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**ORDINANCE NO.**

**AN ORDINANCE REGULATING OVERNIGHT PARKING AND STORAGE OF RECREATIONAL VEHICLES, TRUCKS, SEMI TRACTORS, AND TRAILERS IN COMMERCIAL AND OFFICE DISTRICTS AND THEREBY AMENDING REVISED CITY CODE – 1982 CHAPTER 9-200 BY ADDING SECTIONS 9-204 AND 9-205**

**The City of Coon Rapids does ordain:**

Section 1. Revised City Code – 1982, Chapter 9-200 is hereby revised by adding Section 9-204 as follows: (additions double underlined)

9-204 Parking and Storage of Recreational Vehicles, Trucks, Semi Tractors and Trailers in Commercial and Office Districts

(1) Purpose. The maintenance of certain vehicles in areas outside of designated loading bays and loading zones is unsightly, causes public safety concerns, impacts site parking and traffic circulation, and degrades surrounding property values. Regulation is necessary to alleviate these impacts, and to provide land use uniformity for businesses to operate competitively.

(2) Violation. It is a misdemeanor to stand, park, store, or allow to stand, be parked, or be stored, in a place affected with a public interest, a recreational vehicle, a truck whose gross vehicle weight is 26,000 pounds or more, a semi tractor, or a trailer, between the hours of 9:00 p.m. and 6:00 a.m., except when the vehicle:

- a) is in a queue approved on a site plan or by the Community Development Director, for a loading dock or loading area, for not more than eight hours; or
- b) is being actively loaded or unloaded.

(3) Enforcement.

a) Community Service Officers may issue citations for violations of Section 9-204(2) and may be processed in a Citizen Awareness Project diversion program.

b) Violations may also be subject to civil process and abatement under Chapter 8-1100.

Section 2. Revised City Code – 1982, Chapter 9-200 is hereby revised by adding Section 9-205 as follows: (additions double underlined)

9-205 Liability of Property Owners for Violations of 9-204.

(1) Any owner of real property on which a violation exists is deemed to allow, and may be prosecuted for, a third or subsequent violation of Section 9-204(2), provided:

- a) the owner has notice of two or more previous violations of Section 9-204(2);
- and
- b) the new violation occurs within 6 months of the giving of the notices.

2) Nothing herein limits the liability of the actual driver or user of the vehicle, or the presumption afforded in Section 9-102, (liability of vehicle owners for violations).

Introduced this 16th day of October, 2012.

Adopted this \_\_\_\_ day of \_\_\_\_\_.

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Tim Howe, Mayor

ATTEST:

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Catherine M. Sorensen, City Clerk



## City Council Regular

12.

**Meeting Date:** 12/18/2012

**Subject:** Consideration of Professional Services Proposal from Perkins+Will for Coon Rapids Community Facilities Complex Master Plan

**Submitted For:** Steve Gatlin, City Manager

**From:** Cher Ridout, Admin Secretary II

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### **INTRODUCTION**

Since last May, staff has been meeting with interested community groups and public agencies to discuss the feasibility of a Community Facilities Complex. There appears to be interest in moving forward with some type of project at this time. Perkins+Will has provided a proposal for professional services to complete a master plan for this project. Consideration of the Perkins+Will proposal by City Council is appropriate at this time.

### **DISCUSSION**

Beginning in June 2012, staff began discussions with various public agencies and community groups to talk about the feasibility of moving forward with a Community Facilities project. During those meetings, the focus was away from intense athletic and recreational facilities and more toward joint use facilities shared by a variety of community groups. Direction from City Council was to seek partners for the project and not to consider components that would compete directly with the private sector. Staff met on several occasions with representatives from a variety of groups including the following:

- City staff
- Anoka Hennepin School District #11
- Coon Rapids Athletic Association
- Coon Rapids Senior Center
- Anoka Ramsey Community College
- Anoka County/Anoka County Library

A summary of each group's preliminary interest is summarized as follows:

#### **Anoka County**

Anoka County is considering relocation and replacement of the Crooked Lake Library to a new site. It has been noted that this project is second or third on a priority list of future Anoka County Library projects. Anoka County is interested in working with the City in the planning process but cannot give any definite schedule for moving forward with the project.

#### **Anoka Hennepin School District #11**

School District #11 is considering relocation of current leased space in the Red Owl building on the north side of Coon Rapids Boulevard at Crooked Lake Boulevard. Some of this leased space could be moved to a new Community Facilities Complex. They are also interested in relocating the Crossroads Alternative School to a new site with shared classrooms, shared gymnasiums, and a shared library complex. Also, the School District is considering the possibility of relocating its District Welcome Center to a new facility.

### **Anoka Ramsey Community College**

Anoka Ramsey Community College is interested in relocating its Career Development Center to a new site. They are also planning to move to a four year Baccalaureate degree program in the future and will need additional classrooms. They have also expressed an interest in a future shared library facility.

### **City of Coon Rapids**

The City would like to consider new senior activity space and additional community meeting room space.

### **Coon Rapids Athletic Association**

The Coon Rapids Athletic Association is interested in a shared basketball and multi-use athletic facility, possibly shared with the School District and other governmental agencies.

These needs have been expressed by various groups over the course of several meetings during the past seven months. A meeting was held on December 13 where each group committed to participating in the master plan study. I have met with Library, County, and Community College staff and made a presentation to the Anoka Hennepin School District #11 Board. They have all given their support to move ahead with the master plan study.

Attached is a proposal from Perkins+Will describing the scope of their services. They plan to proceed with the study in late January and have it completed by the end of May. Staff proposed to the various potential user groups that the City would pay 50% of the cost of the master plan study and the remaining 50% would be split equally between Anoka Hennepin School District #11, Anoka Ramsey Community College, and Anoka County and its Library Board. The Anoka County Library Board has requested that their share of the planning study cost be reduced to reflect past planning work they have already completed. This request seems reasonable and staff will discuss possible fee reductions for this with Perkins+Will.

Staff believes it is appropriate to move forward with the master plan study at this time. Once the master plan has been completed, more detailed discussions can be held with individual agencies and user groups about specific needs and interests regarding moving forward with a specific project.

### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Quality of Life** section of the City's long term strategic vision. Development of Phase II of a Community Center represents a longer term community goal of a comprehensive Community Facilities Complex. The intent is to work towards creating a community in which people of all generations decide to invest themselves and their resources in the community and to communicate their community pride.

### **RECOMMENDATION**

Staff recommends the Council take the following action:

- a. Accept the proposal from Perkins+Will for professional planning services in developing a Phase II Master Plan for the Coon Rapids Community Facilities Project.
- b. Appropriate \$64,500 from the Facilities Construction Fund to fund the cost of the master plan study.

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### **Fiscal Impact**

#### **BUDGET IMPACT:**

The proposed fee for the master plan study is \$64,500. The proposal is a lump sum fee to be billed monthly as work on the project proceeds. Funding for the master plan study is not contained in the 2012 or 2013 Budget. Staff suggests that funding for the master plan be appropriated from the Facilities Construction Fund. The City would pay the consultant as the project proceeds and bill each agency for \$10,750 upon completion of the master plan study.

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**Attachments**

Perkins+Will Proposal

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# PERKINS +WILL

November 26, 2012

Steve Gatlin  
Public Services Director  
City of Coon Rapids  
11155 Robinson Drive  
Coon Rapids, MN 55433-3761

Dear Mr. Gatlin:

We are pleased to submit this updated professional services proposal to update the master plan for the Coon Rapids Community Center. We highly value our continued working relationship with the City of Coon Rapids. We look forward to working with you and the other community stakeholders to update and refine the assumptions for Phase 2 construction to meet the City's future needs on the site.

At your request, we submit this letter to confirm our understanding of the proposed work scope, schedule, and professional fees for the next phase of service. For this master plan update, the project team includes the professional services of Perkins +Will only. Other team members may be added to the team if needed and requested by the City, such as Ballard\*King for operational revenue and cost analysis, or Stantec for technical or engineering-related analysis.

## Scope of Services

1. Meet with the following user groups once separately to discuss and confirm the space needs and functional relationships:
  - City Staff
  - School District
  - CR Athletic Association
  - Senior Center
  - Community College Staff
  - Library Staff
2. Update building space program for Phase 2 will be in a similar format as the 2008-2009 Master Plan.
3. Meet with the user groups once collectively to discuss options for organizing the revised space program on the site in relation to the phase 1 ice center and existing conditions.
4. Develop alternative site plans and preliminary building plans incorporating the updated space program and functional requirements for review by the user groups, city staff, and city council.
5. Develop 2 to 3 sketch options of the revised program on the site plans and in building plans, for review by the user groups including city staff.
6. Meet with the City Council to review and receive input on:
  - Revised space program requests and estimated costs
  - Master plan options recommended by city staff and users
  - Final master plan update
7. Update the chosen site plan and building floor plan to a schematic level similar to the previous Schematic Design booklet.

8. Meet with various users, staff and council, as required, to a maximum of twelve (12) on-site meetings between February 2013 and May 2013.

#### **Schedule**

Meetings with User Groups:	February 2013
Review and Discuss Program and Plan Options:	March-April 2013
Finalize Master Plan and Submit to City Council:	May 2013

#### **Professional Fees**

Master Plan Update as Described Above – Lump Sum Fee of \$64,500. The fee will be billed monthly on a percent complete basis from March 2013 to June 2013. Expenses for project travel and internal document printing are included within the lump sum fee. Expenses for bulk printing and distribution of publications or documents are not included in the lump sum fee, and will be billed for reimbursement at (1.0) times actual cost.

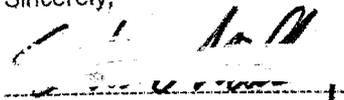
#### **Optional Additional Services**

The following services are not included in the basic Master Plan Update, and may be added to the service scope and fee if desired by the City of Coon Rapids:

1. Operational Analysis by Ballard\*King and Associates, including evaluation of master-planned facility revenues and costs.
2. Engineering systems master plan update by Stantec Engineering.
3. 3d perspective drawings, similar to those completed for the Schematic Design booklet dated October 20, 2009.

We hope that you find the terms of this letter to be agreeable, and look forward to authorization by the City Council to begin work.

Sincerely,



Steven Miller, AIA, LEED® AP  
Principal



**City Council Regular**

**13.**

**Meeting Date:** 12/18/2012

**Subject:** Modification of TIF Districts 1-6 and 1-10

**From:** Sharon Legg, Finance Director

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**INTRODUCTION**

The City Council is requested to modify the budget for two tax increment districts.

**DISCUSSION**

Tax increment districts 1-6 and 1-10 are expiring at the end of 2012. The present budgets for the districts were last modified in 2011 and 2001, respectively. At this time, the budgets for the two districts should be modified to reflect historical expenditures as well as allowing for available tax increment to be used in the for public improvements. Additionally, one of the districts requires a transfer from the other. These two districts were included in Project Area No.1. Therefore, expenditures from the project area could be made in either of the districts. Because the budgets for these two districts are not increasing, but only being reallocated, no public hearing is necessary.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the 2030 Strategic Vision in the following way: by allowing tax increment funds to be used for redevelopment efforts in the City.

**RECOMMENDATION**

Staff recommends adoption of Resolution 12-135 Amending Budgets of Tax Increment Districts 1-6 and 1-10.

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**Attachments**

**RS 12-135**

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**RESOLUTION NO. 12-135**

**RESOLUTION AMENDING BUDGETS OF  
TAX INCREMENT DISTRICTS 1-6 AND 1-10**

**WHEREAS**, tax increment districts 1-6 and 1-10 expire at the end of 2012; and

**WHEREAS**, the budgets for TIF 1-6 was amended in 2011; and

**WHEREAS**, the budget for TIF 1-10 was amended previously in 2001; and

**WHEREAS**, the budgets of these two districts is not increasing therefore a public hearing is not required.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Coon Rapids, Minnesota, to amend the budgets as follows:

	TIF District 1-6		TIF District 1-10	
	<u>Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>Amended</u>
Revenues:				
Tax increments	9,200,000	9,200,000	6,209,101	5,652,000
Investments earnings	950,000	950,000	242,283	1,052
Other	<u>20,000,000</u>	<u>20,000,000</u>	<u>294,344</u>	<u>294,344</u>
Total Revenues	30,150,000	30,150,000	6,745,728	5,947,396
Expenditures				
Land	4,200,000	1,432,311	4,629,167	4,486,204
Site improvements	775,000	775,000	529,917	711,316
Public improvements	19,075,000	18,231,689	13,040	13,040
Interest and fiscal charges	5,200,000	5,200,000	1,442,227	622,227
Administrative	900,000	2,400,000	178,494	180,609
Other	<u>0</u>	<u>2,045,000</u>	<u>60,043</u>	<u>        </u>
Total Expenditures	30,150,000	30,084,000	6,852,888	6,013,396
Transfer (to) from other districts		(66,000)		66,000

Adopted this 18<sup>th</sup> day of December, 2012.

\_\_\_\_\_  
Tim Howe, Mayor

ATTEST:

\_\_\_\_\_  
Cathy Sorensen, City Clerk



**City Council Regular**

**14.**

**Meeting Date:** 12/18/2012

**Subject:** Bond Issuance

**From:** Sharon Legg, Finance Director

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**INTRODUCTION**

A bond issue is being proposed to be sold on or about January 15, 2013.

**DISCUSSION**

Staff is recommending that the City Council authorize the attached resolution providing for the issuance of G.O. Improvement Bonds and the Refunding Bonds, Series 2013A. The G. O. Improvement Bonds will fund the following street projects:

- Project 11-1 2011 Street Reconstruction
- Project 12-1 2012 Street Reconstruction
- Project 12-3 2012 Street Reconstruction (MSA)
- Project 12-4 2012 Street Reconstruction (MSA)

The refunding will issue new Water Revenue Bonds to replace the Water Revenue Bonds issued in 2003, saving interest costs. It is anticipated that there should be \$180,000 saved by issuing the refunding bonds.

Since there will not be a City Council meeting on January 15, 2013, staff is recommending that on January 7, 2013, the City Council authorize a pricing committee to accept the bids that will be received on January 15, within certain interest rates.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Transportation and Excellence in Government** sections of the 2030 Strategic Vision in the following way: by funding street reconstruction projects and saving interest costs on prior debt issued.

**RECOMMENDATION**

Adopt Resolution 12-132 Providing for the Issuance and Sale of G.O. Improvement and Refunding Bonds, Series 2013A, to be Issued in the Proposed Aggregate Principal amount of \$5,895,000.

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**Attachments**

Resolution 12-132

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**RESOLUTION NO. 12-132**

**RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2013A, TO BE ISSUED IN THE PROPOSED AGGREGATE PRINCIPAL AMOUNT OF \$5,895,000**

**WHEREAS**, It is hereby found, determined and declared that the City of Coon Rapids (the “City”), should issue its approximately \$5,895,000 General Obligation Improvement and Refunding Bonds, Series 2013A, to finance various street improvement projects and to refund the 2014 through 2018 maturities City’s General Obligation Water Revenue Bonds, Series 2003A; and

**WHEREAS**, pursuant to Minnesota Statutes, Section 429.091, the City is authorized to issue obligations in an amount deemed necessary to defray in whole or in part the expense incurred and estimated to be incurred in making improvements authorized by Minnesota Statutes, Chapters 429, as amended (the “Local Improvements Act”), and Minnesota Statutes, Chapter 475, as amended (the “Municipal Debt Act”); and

**WHEREAS**, certain assessable public improvements in the City (collectively, the “Improvements”), have been made, duly ordered or contracts let for the construction thereof by the City pursuant to the provisions of the Local Improvements Act; and

**WHEREAS**, pursuant to the terms of Section 475.67 of the Municipal Debt Act, the City is authorized to issue bonds to refund outstanding obligations of the City and proposes to undertake the current refunding of the 2014 to 2018 maturities in the principal amount of \$2,305,000 of the General Obligation Water Revenue Bonds, Series 2003A (the “Prior Bonds”), issued in the original aggregate principal amount of \$6,150,000; and

**WHEREAS**, in order to provide financing for the Improvements and to provide funds to refund the Prior Bonds, the City finds it necessary and expedient to the sound financial management of the affairs of the City to issue its General Obligation Improvement and Refunding Bonds, Series 2013A (the “Bonds”), in the proposed aggregate principal amount of \$5,895,000; and

**WHEREAS**, the City is authorized by Minnesota Statutes, Section 475.60, Subdivision 2(9), to negotiate the sale of the Bonds, it being determined that the City has retained an independent financial advisor in connection with such sale.

**NOW, THEREFORE, BE IT RESOLVED** In order to provide financing for the Improvements and to provide funds to refund the Prior Bonds, the City will issue and sell the Bonds in the proposed aggregate principal amount of \$5,895,000, or such greater or lesser principal amount as established by the terms of a resolution awarding the sale of the Bonds. The Bonds will be issued, sold and delivered as set forth in the Pre-Sale Report attached as EXHIBIT A to this resolution (the “Pre-Sale Report”).

**BE IT FURTHER RESOLVED** that Ehlers & Associates, Inc. (“Ehlers”) is authorized and directed to negotiate the sale of the Bonds in accordance with the Pre-Sale Report. The City Council will meet at 7:00 P.M. on Monday, January 7, 2013, authorize a pricing

committee to consider proposals to purchase the Bonds, to award the sale of the Bonds, and take any other appropriate actions with respect to the Bonds; and

**BE IT FURTHER RESOLVED** that the law firm of Kennedy & Graven, Chartered, is authorized to act as bond counsel and to assist in the preparation and review of necessary documents, certificates, and instruments relating to the Bonds. The officers, employees, and agents of the City are hereby authorized to assist Kennedy & Graven, Chartered, in the preparation of such documents, certificates, and instruments; and

**BE IT FURTHER RESOLVED** that in connection with the sale of the Bonds, the officers, employees, and agents of the City are hereby authorized to cooperate with and to assist Ehlers in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

Adopted by the Coon Rapids City Council this 18th day of December, 2012.

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Tim Howe, Mayor

ATTEST:

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Catherine M. Sorensen, City Clerk



**City Council Regular**

**15.**

**Meeting Date:** 12/18/2012  
**Subject:** Year End Budget Appropriations  
**Submitted For:** Kevin Vouk, Manager of Accounting/Treasurer  
**From:** Dianne Nelson, Advanced Accounting Technician

**INTRODUCTION**

At the close of each year, the General Fund budget is compared to year-to-date revenues and expenditures ensuring that each activity does not exceed budgeted amounts. Net adjustments equal to zero are being recommended.

**DISCUSSION**

General Fund expenditures were reviewed with activity managers or department heads. It is anticipated that overall expenditures for 2012 will be \$24,554,197, which includes \$105,068 being carried forward to next year. This is \$823,200 under the 2012 estimate shown in the 2013 budget document. The carry-forwards include budgeted amounts that will not be received before year-end or are not needed until 2013. Accounting standards require that purchases be recorded in the year the items or services are actually received.

The 2012 revenues are estimated to be \$26,243,937 or \$268,244 more than previously estimated in the 2013 budget document.

The 2012 General Fund balance is projected to increase by \$1,091,444, after carry-forwards, over the estimate shown in the 2013 budget.

Comparisons of the 2012 estimated General Fund revenues and expenditures to the 2012 amended budget are as follows:

**REVENUES**

Revenues are estimated to be \$26,243,937 which is \$154,882 or 0.6% over the amended revenue budget of \$26,089,055. A summary of budgeted General Fund revenues compared to the current estimate is as follows:

	Amended Budget	Mid Year Estimate	Current Estimate	Current Estimate Over (Under) Amended Budget
General Property Taxes	\$17,839,056	\$17,660,665	\$17,660,665	(\$178,391)
Business Licenses	441,580	530,580	592,351	150,771
Non-business Licenses/Permits	983,700	1,071,200	1,086,640	102,940
Fines and Forfeitures	503,500	415,000	404,877	(98,623)
Investment Income	237,600	236,300	220,800	(16,800)
Intergovernmental Revenue	802,800	902,174	909,428	106,628
Charges for Services	1,721,210	1,711,200	1,956,375	235,165
Utilities Tax	3,161,101	3,015,715	2,980,059	(181,042)
Other	398,508	432,859	432,742	34,234

TOTAL	\$26,089,055	\$25,975,693	\$26,243,937	\$154,882
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**EXPENDITURES**

Expenditures, including carry-forwards of \$105,068, are estimated to be \$24,554,197 which is \$1,058,104 or 4.1% under the amended budget of \$25,612,301. A summary of expenditure estimates compared to budget by department is as follows:

	Amended Budget*	Mid Year Estimate	Current Estimate (Including carry-forwards)	Current Estimate Over (Under) Amended Budget
City Manager Department	\$1,925,215	\$1,838,927	\$1,744,215	(\$181,000)
Legal Department	823,463	783,983	668,063	(155,400)
City Clerk Department	257,051	238,120	239,851	(17,200)
Finance Department	1,700,633	1,719,190	1,632,933	(67,700)
Community Development Dept.	1,762,119	1,822,595	1,637,219	(124,900)
Police Department	8,425,912	8,361,222	8,210,612	(215,300)
Fire Department	4,038,282	3,934,914	3,845,082	(193,200)
Public Works Department	6,659,722	6,658,542	6,576,222	(83,500)
Contingency	19,904	19,904		(19,904)
TOTAL	\$25,612,301	\$25,377,397	\$24,554,197	(\$1,058,104)

\*prior to reallocating funds

**Personal Services**

It is estimated that expenditures in the Personal Services category will be \$19,215,118. This is \$786,004 under budget primarily due to vacancies.

**Other Charges and Services**

It is estimated that expenditures in the Other Charges and Services category will be \$3,719,680 or \$3,761,040 with carry-forwards. This is \$140,200 under budget primarily due to less being spent than was budgeted for professional and consulting services and maintenance and repair of equipment.

**Supplies**

It is estimated that expenditures in the Supplies category will be \$1,270,380. This is \$126,000 under budget primarily due to less being spent than was budgeted for office supplies, motor fuels, equipment repair parts, and salt.

**Capital Outlay**

It is estimated that expenditures in the Capital Outlay category will be \$213,951 or \$277,659 with carry-forwards. This is \$17,900 under budget primarily due to savings from the amounts originally budgeted.

**Other Disbursements**

It is estimated that expenditures in the other disbursements category will be \$30,000 which is \$12,000 over budget due to higher than anticipated concession merchandise purchases at the Ice Center.

**2012 CARRY-OVER TO 2013 BUDGET**

Council is asked to consider carrying forward \$105,068 in the General Fund and \$701,205 for other funds into fiscal year 2013 for items not purchased or completed in 2012 as detailed in Resolution No. 133.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Excellence in Government** section of the 2030 Strategic Vision in the following way: The City of Coon Rapids budget process ensures a strategic direction established and monitored by the City Council.

**RECOMMENDATION**

Staff recommends that Council adopt Resolution No. 12-133 re-appropriating funds within the 2012 General Fund budget and amending the 2012 and 2013 budgets.

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**Attachments**

res 12-133

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**RESOLUTION 12-133**

**RESOLUTION REAPPROPRIATING FUNDS WITHIN THE  
2012 GENERAL FUND BUDGET AND AMENDING THE 2012 AND 2013 BUDGETS**

**WHEREAS**, Section 1-700 of the City Charter provides for adoption of an annual budget, and the subsequent re-appropriation of the unencumbered balances for other purposes; and

**WHEREAS**, the City of Coon Rapids budget provides appropriations in a program format by activity; and

**WHEREAS**, the actual charges of personal hours and other expenses differs somewhat from budgetary estimates made over one year ago; and

**WHEREAS**, some 2012 budgeted items and services will not be purchased until 2013.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Coon Rapids hereby authorizes the re-appropriation of 2012 funds and amends the 2012 and 2013 budgets to include re-appropriation of 2012 budgeted funds to fiscal year 2013 as follows:

2012 BUDGET ADJUSTMENTS  
(Reductions are indicated in parentheses.)

ACTIVITY NUMBER	DESCRIPTION	PERSONAL SERVICES	OTHER CHARGES	SUPPLIES	CAPITAL OUTLAY	CHARGE BACK	TOTAL
103	Legal Services		(1,000)	(1,500)			(2,500)
104	Elections & Voter Registration	7,200					7,200
121	Maintenance of Official Records	7,500					7,500
122	Information	(12,000)					(12,000)
123	Management	(13,200)	(6,800)				(20,000)
124	Licensing	5,200					5,200
141	Human Resources	5,300					5,300
142	Fiscal Planning	(8,000)					(8,000)
143	Information Technology		(500)	500			0
147	Property Appraisal	(13,300)					(13,300)
148	Purchasing		(1,500)				(1,500)
149	Payroll	8,000					8,000
201	Court Case/Preparation		12,700	(3,400)			9,300
202	Investigation/Non-Traffic	185,000	(1,200)	1,200			185,000
203	Preventative Patrol/Traffic	(208,000)	(8,000)	12,200			(203,800)
204	Accident Reduction Project	16,000					16,000
205	Animal Control	27,000	1,900				28,900
206	Community Education	(30,000)					(30,000)
207	Drug Enforcement & Education	10,000	(6,100)				3,900
221	Fire Prevention		(8,400)	2,000	(500)		(6,900)
222	Fire Training		2,700				2,700
223	Fire Suppression	(1,600)	(6,600)	10,300	700		2,800
224	Rescue and First Aid		(3,400)	3,600	200		400
225	Fire Investigation		(600)				(600)
251	Employee Safety	1,600	200	(200)			1,600
302	Riverwind Recreational Center		(1,100)	800			(300)
305	Community Schools		100				100
320	Facilities Rental	17,300	12,800	(2,600)			27,500
323	Contract Grants		4,900				4,900
324	Multi-Purpose Senior Center	(4,000)	(1,000)	(12,400)			(17,400)
407	Neighborhood Reinvestment	46,600	(500)	500			46,600
421	Building Inspection	(46,600)					(46,600)
500	Snow Removal	(100,000)	(6,000)	(84,700)			(190,700)
501	Street Maintenance	79,600	4,200	(23,000)			60,800
503	Streetlight Maintenance	(4,000)	(50,000)	200			(53,800)
506	Garage/Vehicle Maintenance	(30,000)	(5,500)				(35,500)
507	Public Building Maintenance	5,500	(30,000)	2,100	(2,500)		(24,900)
508	GIS		3,300	(2,300)	(1,000)		0
509	Engineering Maintenance Service	(25,000)	12,400	1,500			(11,100)
510	Park Maintenance	113,000	15,100	38,700	(2,500)		164,300
511	Sidewalk Maintenance	(6,000)	(9,000)	(10,000)			(25,000)
514	Adult Softball Program		4,100	2,000			6,100
515	Indoor Skating	5,000	107,000	7,900	2,800	12,000	134,700
516	Outdoor Skating/Open	(44,600)	3,600	(4,000)			(45,000)
521	Tree Maintenance	6,500	42,600	(29,000)			20,100
522	Weed Control			(1,700)	1,700		0
	Total	0	80,400	(91,300)	(1,100)	12,000	0

Re-appropriation of the following funds from the 2012 Budget to the 2013 Budget:

General Fund

Activity 143 - Information Technology	\$10,000	for Web development services
	\$6,000	for (9) desktop computers
	\$6,000	for server hardware for email systems
	\$11,000	for redundant phone backup system
	\$7,700	for external storage for police squad car video
	\$19,238	for backup equipment & software for police car video storage
	\$8,229	for network infrastructure equipment for city hall
Activity 147 – Property Appraisal	\$5,800	for commercial appraisals
Activity 221 – Fire Prevention	\$25,560	for County Computer Aided Dispatch system
Activity 515 – Indoor Skating	<u>\$5,541</u>	for copier
	<u>\$105,068</u>	

Other Funds

Activity 716 – Public Communications Fund	\$10,000	for services for franchise renewal negotiations
	\$1,500	for (2) computers
	\$3,206	for Bravo BluRay and DVD publisher
	\$1,197	for software upgrade for edit suite A
	\$25,000	for HD equipment upgrade for truck
Activity 786 – Facilities Construction Fund	\$10,000	for furniture in lobby of City Hall
Activity 788 – Capital Equipment Fund	\$91,800	for Hovercraft
	\$17,207	for car for inspection department
	\$213,750	for wheel loader
	\$38,852	for skidsteer tractor with attachments
Activity 601 - Water System Maintenance	\$220,000	for rehab of various wells and booster pumps
	\$24,348	for various CW & GIS hardware and software
Activity 620 - Sewer System Maintenance	\$22,670	for various CW & GIS hardware and software
Activity 640 - Storm Water Utility Fund	<u>\$21,675</u>	for various CW & GIS hardware and software
	<u>\$701,205</u>	

Adopted by the Coon Rapids City Council this 18th day of December, 2012.

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Tim Howe, Mayor

ATTEST:

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Catherine M. Sorensen, City Clerk



**City Council Regular**

**16.**

**Meeting Date:** 12/18/2012

**Subject:** Recycling Center Capital Outlay

**From:** Sharon Legg, Finance Director

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**INTRODUCTION**

Staff is requesting authorization to purchase an electronic reader board sign and a pallet jack for the Recycling Center.

**DISCUSSION**

SCORE funds are available to purchase a reader board sign and a pallet jack for the Recycling Center. Two quotes have been received for the reader board sign and the pallet jack would be purchased off of the State Contract. The funds are for use before year end. Staff is recommending that funds are allocated for this capital purchase and the purchase be authorized.

The electronic LED reader board would replace the existing sign, which is manually maintained and wording is limited. The new board can have varying messages to hopefully increase the tonnage recycled as well as the number of users of the center. The cost including sales tax is \$24,000.

The pallet jack, at a cost of \$3,730 including sales tax, was anticipated for the 2013 budget, but can be purchased sooner using SCORE funds.

Because these two items are capital outlay, the City Code requires they be identified and funds made available.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Quality of Life** section of the 2030 Strategic Vision in the following way: by informing the public of recycling options and increasing the efficiency of moving recycled goods.

**RECOMMENDATION**

Adopt Resolution No. 12-134 Amending the Recycling Fund budget for the purchase of a sign and pallet jack.

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**Attachments**

RS 12-134

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**RESOLUTION NO. 12-134**

**RESOLUTION AUTHORIZING BUDGET AMENDMENT FOR RECYCLING  
CAPITAL OUTLAY**

**WHEREAS**, Section 1-700 of the City Charter provides for adoption of an annual budget and subsequent amendments; and

**WHEREAS**, the 2012 Budget does not include funds for the purchase of a sign for the recycling center (\$24,000); and

**WHEREAS**, the 2012 Budget does not include funds for the purchase of a pallet jack (\$3,730); and

**WHEREAS**, the City is anticipating the use of SCORE funds to pay for the sign and jack; and

**WHEREAS**, SCORE funds must be allocated for the purchase before year end; and

**WHEREAS**, the sign will include the number of citizens using the Recycling Center, increasing the tonnage recycled; and

**WHEREAS**, the pallet jack will allow for more efficient operations; and

**WHEREAS**, the 2012 budget should be amended to allocate SCORE funds in the Recycling Fund for the Capital Outlay purchases of a sign and pallet jack.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Coon Rapids, Minnesota to authorize a budget amendment in the 2012 Recycling Fund Budget to authorize the purchase of the sign and pallet jack in the amount of \$27,730 and increase the capital outlay amount to \$27,730.

Adopted this 18th day of December 2012.

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Tim Howe, Mayor

ATTEST:

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Cathy Sorensen, City Clerk



**City Council Regular**

**17.**

**Meeting Date:** 12/18/2012

**Subject:** Resolution Establishing 2013 Wage Schedule for Unrepresented Employees

**From:** Matt Stemwedel, Assistant City  
Manager

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**INTRODUCTION**

This resolution is being presented in compliance with City Code Section 3-301, which requires the annual presentation of a compensation plan to the City Council. City Staff requests that the City Council adopt a resolution establishing the 2013 wage schedule for unrepresented employees.

**DISCUSSION**

The City's 2013 Compensation Plan includes the following components:

1. There are 23 pay grades and nine steps within each grade.
2. Each salary range minimum is approximately 75 percent of its range maximum.
3. The wage schedule includes a six percent merit pay range to reward employees who demonstrate excellent work performance.
4. The 2013 wage schedule for unrepresented positions includes a 1% pay adjustment effective January 1, 2013, and 1.5% pay adjustment effective July 1, 2013. These increases are the same as the ones provided for in the City's four collective bargaining agreements.

The number of positions approved for the 2013 City Budget is 226 full-time equivalents (FTEs). This represents an increase of one over the 2012 budget, but slightly less than the 10-year average for FTEs. All regular full-time and part-time employees will be compensated at a rate between the minimum and maximum of their salary range. The only exceptions are employees who exceeded the maximum rate when the current pay plan was implemented January 2005.

The City is currently undergoing a full classification and compensation study; however, the results of that study were not available to modify the the City's compensation plan for the start of 2013. The City will receive those results in early 2013 and staff will develop an implementation plan afterward. Council will be updated on the progress of this study as it moves forward.

**ALIGNMENT WITH STRATEGIC VISION**

This item is aligned with the **Excellence in Government** section of the 2030 Strategic Vision by striving for fiscal responsibility. The City's operation is dependent on the successful and professional delivery of public services by our municipal employees. This comes with the responsibility to provide competitive compensation as measured against benchmark communities and as required by the MN State Pay Equity Act.

**RECOMMENDATION**

Adopt Resolution 12-139 Establishing the 2013 Wage Schedule for Unrepresented Employees.

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**Fiscal Impact**

**BUDGET IMPACT:**

The two cost of living increases will impact the budget by approximately \$159,000 in 2013 compared to current wages for the unrepresented employees. The approved 2013 City Budget included funds to adequately account for these adjustments.

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**Attachments**

2013 Wage Resolution

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**RESOLUTION NO. 12-139**

**A RESOLUTION ESTABLISHING 2013 WAGE SCHEDULE  
FOR UNREPRESENTED EMPLOYEES**

**WHEREAS,** City Code Section 3-310 requires the City Manager to present a compensation plan annually for all pay grades to be approved by resolution of the City Council; and

**WHEREAS,** this plan is in compliance with Minnesota Statute 471, which is referred to as the Pay Equity Law; and

**WHEREAS,** the classification and compensation plan has been revised to reflect changes to the 2013 budget proposals submitted to the City Council for review, which includes a one percent wage increase for unrepresented employees on January 1, 2013 and a one and a half percent increase on July 1, 2013; and

**NOW, THEREFORE, BE IT RESOLVED** by the Coon Rapids City Council that the following pay schedule be adopted, effective January 1, 2013.

**City of Coon Rapids  
2013 Compensation Plan Effective January 1, 2013**

Grade	Minimum			Market			6% Merit Range		
	Monthly	Hourly	Annual	Monthly	Hourly	Annual	Monthly	Hourly	Annual
11	\$2,735	\$15.78	\$32,822	\$3,420	\$ 19.73	\$41,038	\$3,625	\$ 20.91	\$ 43,501
12	\$2,844	\$16.41	\$34,133	\$3,555	\$ 20.51	\$42,661	\$3,768	\$ 21.74	\$ 45,220
13	\$2,955	\$17.05	\$35,464	\$3,694	\$ 21.31	\$44,325	\$3,915	\$ 22.59	\$ 46,984
14	\$3,078	\$17.76	\$36,941	\$3,846	\$ 22.19	\$46,155	\$4,077	\$ 23.52	\$ 48,925
15	\$3,200	\$18.46	\$38,397	\$4,002	\$ 23.09	\$48,027	\$4,242	\$ 24.48	\$ 50,909
16	\$3,325	\$19.18	\$39,894	\$4,157	\$ 23.98	\$49,878	\$4,406	\$ 25.42	\$ 52,871
17	\$3,460	\$19.96	\$41,517	\$4,325	\$ 24.95	\$51,896	\$4,584	\$ 26.45	\$ 55,010
18	\$3,597	\$20.75	\$43,160	\$4,496	\$ 25.94	\$53,955	\$4,766	\$ 27.50	\$ 57,193
19	\$3,742	\$21.59	\$44,907	\$4,680	\$ 27.00	\$56,160	\$4,961	\$ 28.62	\$ 59,530
20	\$3,966	\$22.88	\$47,590	\$4,957	\$ 28.60	\$59,488	\$5,255	\$ 30.32	\$ 63,057
21	\$4,205	\$24.26	\$50,461	\$5,255	\$ 30.32	\$63,066	\$5,571	\$ 32.14	\$ 66,850
22	\$4,456	\$25.71	\$53,477	\$5,573	\$ 32.15	\$66,872	\$5,907	\$ 34.08	\$ 70,884
23	\$4,812	\$27.76	\$57,741	\$6,015	\$ 34.70	\$72,176	\$6,376	\$ 36.78	\$ 76,507
24	\$5,200	\$30.00	\$62,400	\$6,500	\$ 37.50	\$78,000	\$6,890	\$ 39.75	\$ 82,680
25	\$5,614	\$32.39	\$67,371	\$7,020	\$ 40.50	\$84,240	\$7,441	\$ 42.93	\$ 89,294
26	\$6,290	\$36.29	\$75,483	\$7,866	\$ 45.38	\$94,390	\$8,338	\$ 48.10	\$ 100,054
27	\$6,980	\$40.27	\$83,762	\$8,727	\$ 50.35	\$104,728	\$9,251	\$ 53.37	\$ 111,012
28	\$7,400	\$42.69	\$88,795	\$9,251	\$ 53.37	\$111,010	\$9,806	\$ 56.57	\$ 117,670
29	\$7,842	\$45.24	\$94,099	\$9,804	\$ 56.56	\$117,645	\$10,392	\$ 59.95	\$ 124,703
30	\$8,235	\$47.51	\$98,821	\$10,296	\$ 59.40	\$123,552	\$10,914	\$ 62.96	\$ 130,965
31	\$8,564	\$49.41	\$102,773	\$10,705	\$ 61.76	\$128,461	\$11,347	\$ 65.47	\$ 136,168
32	\$8,906	\$51.38	\$106,870	\$11,133	\$ 64.23	\$133,598	\$11,801	\$ 68.08	\$ 141,614
33	\$9,617	\$55.48	\$115,398	\$12,024	\$ 69.37	\$144,290	\$12,746	\$ 73.53	\$ 152,947

**City of Coon Rapids  
2013 Compensation Plan Effective July 1, 2013**

Grade	Minimum			Market			6% Merit Range		
	Monthly	Hourly	Annual	Monthly	Hourly	Annual	Monthly	Hourly	Annual
11	\$2,777	\$16.02	\$33,322	\$3,472	\$ 20.03	\$41,662	\$3,680	\$ 21.23	\$ 44,162
12	\$2,888	\$16.66	\$34,653	\$3,609	\$ 20.82	\$43,306	\$3,825	\$ 22.07	\$ 45,904
13	\$3,000	\$17.31	\$36,005	\$3,749	\$ 21.63	\$44,990	\$3,974	\$ 22.93	\$ 47,690
14	\$3,125	\$18.03	\$37,502	\$3,903	\$ 22.52	\$46,842	\$4,138	\$ 23.87	\$ 49,652
15	\$3,248	\$18.74	\$38,979	\$4,063	\$ 23.44	\$48,755	\$4,307	\$ 24.85	\$ 51,681
16	\$3,375	\$19.47	\$40,498	\$4,219	\$ 24.34	\$50,627	\$4,472	\$ 25.80	\$ 53,665
17	\$3,512	\$20.26	\$42,141	\$4,389	\$ 25.32	\$52,666	\$4,652	\$ 26.84	\$ 55,826
18	\$3,650	\$21.06	\$43,805	\$4,564	\$ 26.33	\$54,766	\$4,838	\$ 27.91	\$ 58,052
19	\$3,798	\$21.91	\$45,573	\$4,751	\$ 27.41	\$57,013	\$5,036	\$ 29.05	\$ 60,434
20	\$4,025	\$23.22	\$48,298	\$5,032	\$ 29.03	\$60,382	\$5,334	\$ 30.77	\$ 64,005
21	\$4,267	\$24.62	\$51,210	\$5,333	\$ 30.77	\$64,002	\$5,653	\$ 32.62	\$ 67,842
22	\$4,524	\$26.10	\$54,288	\$5,656	\$ 32.63	\$67,870	\$5,995	\$ 34.59	\$ 71,943
23	\$4,885	\$28.18	\$58,614	\$6,105	\$ 35.22	\$73,258	\$6,471	\$ 37.33	\$ 77,653
24	\$5,278	\$30.45	\$63,336	\$6,597	\$ 38.06	\$79,165	\$6,993	\$ 40.34	\$ 83,915
25	\$5,699	\$32.88	\$68,390	\$7,126	\$ 41.11	\$85,509	\$7,553	\$ 43.58	\$ 90,639
26	\$6,384	\$36.83	\$76,606	\$7,984	\$ 46.06	\$95,805	\$8,463	\$ 48.82	\$ 101,553
27	\$7,084	\$40.87	\$85,010	\$8,859	\$ 51.11	\$106,309	\$9,391	\$ 54.18	\$ 112,687
28	\$7,511	\$43.33	\$90,126	\$9,389	\$ 54.17	\$112,674	\$9,953	\$ 57.42	\$ 119,434
29	\$7,959	\$45.92	\$95,514	\$9,951	\$ 57.41	\$119,413	\$10,548	\$ 60.85	\$ 126,578
30	\$8,358	\$48.22	\$100,298	\$10,450	\$ 60.29	\$125,403	\$11,077	\$ 63.91	\$ 132,927
31	\$8,693	\$50.15	\$104,312	\$10,866	\$ 62.69	\$130,395	\$11,518	\$ 66.45	\$ 138,219
32	\$9,039	\$52.15	\$108,472	\$11,300	\$ 65.19	\$135,595	\$11,978	\$ 69.10	\$ 143,731
33	\$9,760	\$56.31	\$117,125	\$12,204	\$ 70.41	\$146,453	\$12,937	\$ 74.63	\$ 155,240

**Section 1. Full-time Unrepresented Employees**

The minimum range for a position is the rate at which a new employee usually starts. Employees with considerable work experience in similar positions may start above the minimum rate. Employees may also start above the minimum when market rate conditions dictate a higher salary in order to attract qualified personnel.

Trained and experienced employees will be compensated at a rate between the minimum and maximum rates, with the specific amount to be determined by the City Manager. In establishing a fair and equitable salary, the City Manager may consider salaries for comparable positions in comparable cities. Other factors of consideration will be the general prevailing wages for such a position in the metropolitan area, comparability of duties and responsibilities to other City positions, and tenure and performance of the individual employee.

The maximum rate is top salary for a position and will be reserved for employees whose performance is clearly superior and outstanding. The only exceptions are employees who exceeded the maximum rate when the current pay plan was implemented in January 2005.

Section 2. Part-time Employees

Part-time employees may be eligible for step adjustments within their pay grade, but not necessarily at the same rate as full-time employees. Eligibility for pay adjustments will be determined by performance, which is the responsibility of the employee's supervisor, subject to review by the department head and Human Resources.

Section 3. Temporary and Seasonal Employees

The City Manager is hereby authorized to employ temporary and seasonal employees as provided for in the budget.

Section 4. City Manager

In accordance with the City Manager's employment agreement, dated September 18, 2012, the City Manager will receive the same increase granted to other full-time, non-union employees. All other aspects of the City Manager's contract remain unchanged.

Adopted by the Coon Rapids City Council this 18th day of December 2012.

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Tim Howe, Mayor

ATTEST:

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Cathy Sorensen, City Clerk